

# 1985 HOUSING ELEMENT

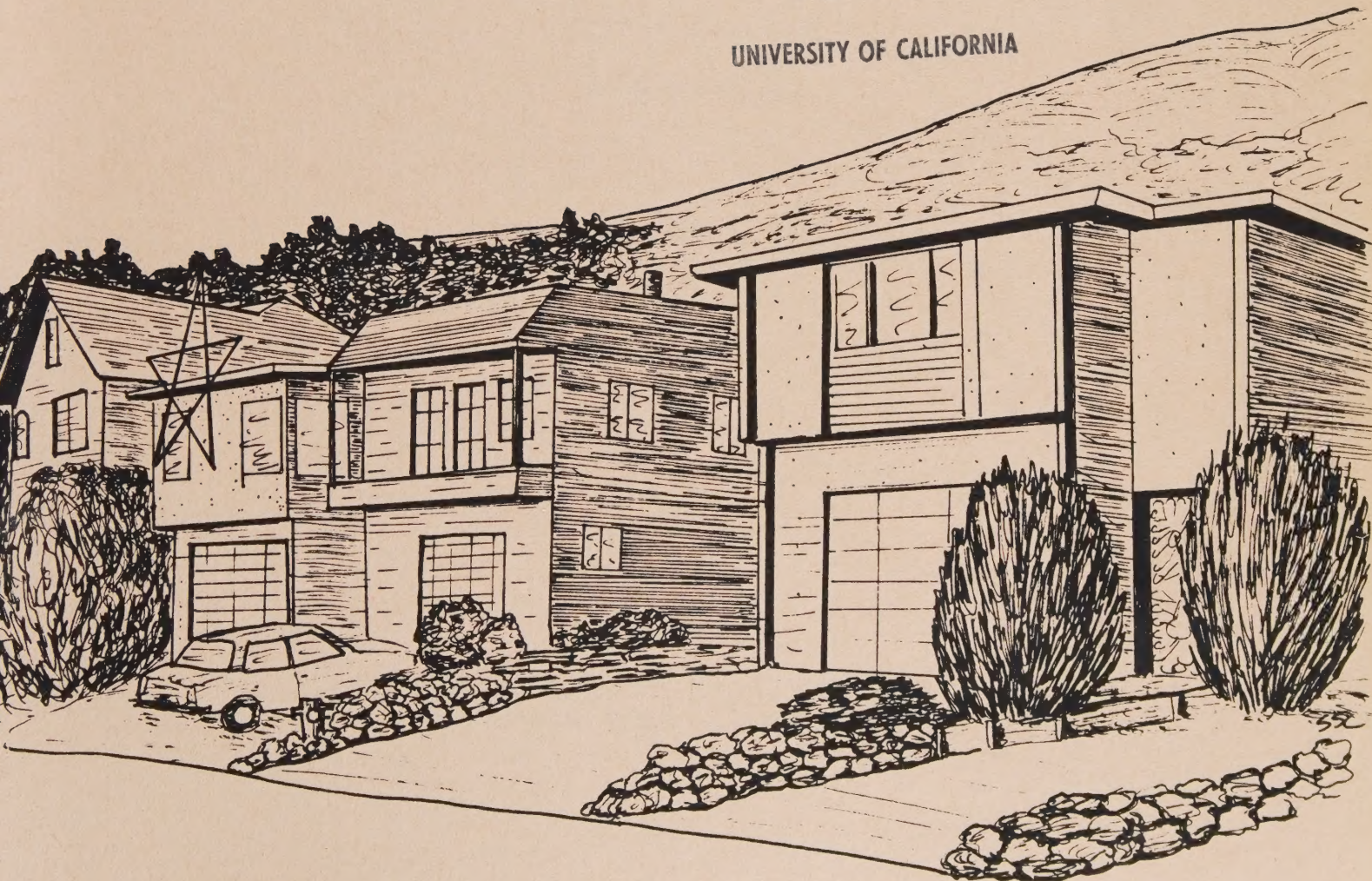
## CITY OF BRISBANE

### GENERAL PLAN


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1985  
HOUSING ELEMENT  
OF THE  
CITY OF BRISBANE  
GENERAL PLAN

Adopted May 13, 1985

CITY OF BRISBANE BUILDING AND PLANNING DEPARTMENT  
44 Visitation Avenue, Brisbane, CA 94005



City of Brisbane City Council

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Jeannine Hodge, Councilmember  
Fred Smith, Councilmember  
Raymond C. Miller, Councilmember  
Art Montenegro, Councilmember

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CERTIFICATION

I hereby certify that this Housing Element was approved on March 20, 1985 by the City of Brisbane Planning Commission by a 4-0 vote, pursuant to Government Code Section 65000, et. seq.

Stephen N. Yokoi  
Stephen Yokoi  
Vice Chairman

6/12/85  
Date

I hereby certify that this Housing Element was adopted at a regular meeting of the City Council on May 13, 1985 by the following roll call vote:

AYES: Hodge, Miller, Smith  
NOES: Montenegro, Bradshaw  
ABSENT: None

Donald H. Bradshaw  
Donald H. Bradshaw  
Mayor

6/10/85  
Date

ATTEST:

Robin Leiter  
Robin Leiter  
City Manager/City Clerk

6/12/85  
Date





**1985 HOUSING ELEMENT OF THE  
CITY OF BRISBANE GENERAL PLAN**

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## I. INTRODUCTION

### Purpose of Housing Elements

Each city and county in California must plan for the housing needs of all economic segments of its population. These needs must be balanced with land-use, environmental and other goals set forth in the other General Plan elements. Article 10.6 of the Government Code sets forth the State's requirements for a housing element (one of the nine mandatory elements of a community's general plan). The substantive requirements of a housing element (Section 65583) are:

- \* Identification and analysis of existing and projected housing needs;
- \* Inventory of resources and constraints to meeting identified needs;
- \* Statement of goals, policies and quantified objectives; and
- \* Scheduled programs for the preservation, improvement and development of housing.

The law also sets up procedures for the preparation and adoption of a housing element. Local governments must "make a diligent effort" to involve all economic segments of its population in developing the housing element. Each city and county must adopt an element which conforms with State law (Section 65583) or the 1977 Housing Guidelines on or before October 1, 1981,<sup>1</sup> and must update their elements at least every five years. The first revision must be completed by January 1, 1985. The State Department of Housing and Community Development (HCD) will review all draft housing elements. Although HCD's comments are advisory, they must be considered by local officials prior to adopting the housing element.

This revised Housing Element addresses all the requirements of State law, including relevant legislation enacted subsequent to adoption of the City's 1980 housing element. In addition, the Housing Element utilizes population, housing and employment data from the 1980 Federal Census and projections from current

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<sup>1</sup> Brisbane's 1980 Housing Element conforms with the 1977 guidelines.





regional studies.<sup>1</sup> The Association of Bay Area Governments' (ABAG) existing and projected housing needs determination<sup>2</sup> is reflected, as well as current City attitudes and opportunities related to housing.

### Community Housing Issues

The primary challenge of the Housing Element is to balance local housing needs with the need to guide new growth in order to protect the environmental and social qualities of Brisbane. The challenge is intensified by Brisbane's limited availability of suitable land for housing and the community's desire to maintain a cohesive, small-town residential character.

What incentives, subsidies or regulations can the City devise to facilitate the provision of affordable housing? How much new housing can the City accommodate? Where can new housing be built and what will be the impact? What should be the City's policy concerning condominium developments? How can the City meet existing housing needs created by sub-standard structures, overcrowded conditions and special household needs? What should be the character of new housing that is built in the City? The Housing Element includes analysis of these and other issues.

Questions to be considered in the Housing Element are:

1. Where can the City accommodate additional residential units?
2. Can the City's present service systems (water, sewer, traffic, circulation, schools, civic facilities, etc.) handle the anticipated population growth?
3. What would be the effect of population growth on Brisbane's social, fiscal, and physical resources?
4. How many new residential units should be developed each year?
5. What can the City do to facilitate construction of needed low and

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1 Projections 83, Forecasts for the San Francisco Bay Area, ABAG, June 1983; Preliminary Economic and Demographic Projections, ABAG, March 1985.

2 Housing Needs Determination, San Francisco Bay Region, ABAG, July 1983.





moderate income housing?

6. How can property owners upgrade sub-standard homes?
7. How can the City address the housing needs of the elderly, the handicapped, single parents, and others with special needs?

### Consistency with Other General Plan Elements

State law requires that the goals and policies of all General Plan elements be consistent and mutually supportive. The revised Housing Element supports the current General Plan's goal of maintaining a diversified economic base by providing for housing needs created by anticipated industrial and commercial development. By being sensitive to the impact of growth on central Brisbane, the element is in accord with the community's desire to retain the character of the existing community. The revised Element also seeks to balance housing goals with other non-housing concerns by regulating the style, location and impacts of new housing developments.

Updated housing policies and action programs are based upon the 1980 General Plan policies, with revisions to address current State laws and local concerns. Action programs are more detailed than policies by identifying funding sources, responsible agencies and time schedules. Recommended land use changes will be considered when the General Plan's Land Use Element is reviewed in 1985. Significant policy changes are summarized below.

### Significant Changes from the 1980 General Plan Housing Element

#### 1. Impact Fees (See Page 42)

1980 General Plan Policy: None

Change: Implement a program of impact fees to offset the costs of new development.

#### 2. Growth-Staging (See Page 43)

1980 General Plan Policy: None

Change: Manage the rate and location of growth in order to avoid the impacts of too rapid development and reserve available growth capacity for a broad range of housing needs.



3. Sites East of San Bruno Avenue (See Page 55)  
1980 General Plan Land Use: Residential (0-2 dwelling units per acre; higher density with density transfer)  
Current Zoning: R-1, 20,000  
Change: Residential (0-2 dwelling units per acre; higher density with density transfer and provision of affordable housing)
4. Motel/Trailer Park Site on Old County Road (See Page 59)  
1980 General Plan Land Use: Commercial/Retail/Office  
Current Zoning: Retail Business and Multiple Residential  
Change: Multiple Residential or Civic Center/Senior Residential
5. Lands Fronting on Bayshore Boulevard South of Old County Road  
(See Page 58)  
1980 General Plan Land Use: Commercial/Retail Office  
Current Zoning: Highway Commercial  
Change: Residential (4 to 12 units per acre)
6. Inclusionary Zoning (See Page 66)  
1980 General Plan Policy: 10% of all new residential developments of ten or more units affordable to low income people: 20% of housing units in Northeast Ridge for low and moderate income people and 5% for handicapped.  
Change: Where feasible, a portion of all new residential developments of ten or more units should be affordable to low and moderate income households and a portion should be rentals.
7. Density Bonus (See Page 67)  
1980 General Plan Policy: None  
Change: The City must grant a request for a density bonus of 25% (or other development incentive) for projects of five or more units that provide at least 25% of the total units for persons of low or moderate incomes, or at least 10% for lower income households.





8. Overlay Zones (See Page 84)

1980 General Plan Policy: None

Change: Adopt zoning amendments to regulate the use of environmentally sensitive or hazardous lands.

9. Transferable Development Rights (See Page 66 & 85)

1980 General Plan Policy: Encourage density transfers in Brisbane Acres in order to preserve open space and compensate property owners who hold undevelopable lands.

Change: Expand the density receiving areas beyond the Acres to the rest of the City in order to increase the demand for transfers.

Public Participation

Efforts to involve the public in the update of Brisbane's Housing Element included distribution of the draft Element for public and agency review, and providing opportunities for written response and oral testimony at the public hearing(s). The availability of copies of the draft element and public hearings was advertised in the local newspaper and announcements sent to all known interested persons.



## II. COMMUNITY CHARACTERISTICS

### Population Characteristics

Brisbane is a small city of 3,034 persons.<sup>1</sup> The 1980 population was 2,969. In contrast to county and regional growth of 5% and 10% during the 1970's, Brisbane's population decreased by 1%. Since 1980, the City has grown at a modest pace of 1.5%, bringing the average annual rate of population growth to less than 0.5% between 1970 and 1985. This nearly stable population has helped create a stable and socially integrated community. This is in marked contrast to many Bay Area and California cities that are experiencing rapid population growth with its attendant social, fiscal and environmental impacts.

In spite of this apparent stability, when data from the 1980 U.S. Census is compared with 1970 Census data, it reveals some rather significant changes taking place in the type of people who live in Brisbane. These comparisons are summarized in the following table. While the population has remained relatively constant, growing from 3,003 to 3,200 since 1970, changes within the population were significant. The median age has increased. Fewer people over 15 were married in 1980 compared to 1970. A higher percentage of both men and women are in the workforce. White collar occupations now make up nearly 62% of all jobs in 1980 compared to around 50% in 1970. Blue collar jobs have declined from 37% in 1970 to about 27% in 1980. The most marked changes over the decade, however, appear in education levels and per capita income. The number who had completed at least four years of college more than tripled over the decade. Moreover, per capita income, once well below the county average, now is higher than the county average. As a result, real per capita income, in 1979 dollars, has grown 68%.

According to projections made by ABAG, the population is not expected to grow at the slow pace that has characterized the City in the past. In fact, the population is projected to grow by 28% between 1980 and 1990, and by 67% between 1980 and 2000.

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<sup>1</sup> State Department of Finance, 1984 certified population.



Summary of Changing Community Characteristics

	1970	1980
Population	3,003	2,969
Median Age	29.4 years	33.6 years
Married	62.5%	45.6%
Men in Workforce	79.6%	84.0%
Women in Workforce	48.9%	64.4%
White Collar Workers as Share of Workforce	49.4%	61.9%
Blue Collar Workers as Share of Workforce	37%	26.9%
Education		
Less than 4 years high school	50.8%	26.6%
1 or more years of college	16.9%	36.7%
4 years or more of college	6%	16%
Per Capita Income (1979 dollars)	\$7,419	\$10,929
Average Household Size	2.66	2.18

This population projection is based on certain assumptions. For example, ABAG uses local land use policies to distribute projected growth in the County. As a result, the projected growth rate is based on the maximum amount of housing that could be built under the 1980 General Plan. As will be discussed below, there is a need to reconsider the maximum allowable development in the City because of new information that has become available since the preparation of the 1980 General Plan. Any reduction or increase in the maximum allowable buildout or the annual rate of growth would lower or increase these population projections by altering the land use policies on which they are partly based.

This housing element presents a growth staging system that stages the annual rate of growth according to the fiscal, social and environmental carrying capacity of the City. The average annual rate of population growth projected under the growth staging system would be about 2%. This projection does not include any exceptions to the annual base rate that are possible under the system. This rate is about 1 1/2% less on an annual basis than the ABAG projection, but about 1/2% faster than the City has recently experienced.

The following table presents this range of population growth scenarios. Since the ABAG projected need for housing is dependent on the projected rate of





Table I  
Population Growth

		<u>Historical</u>			<u>Projected</u>		<u>Percentage change</u>		
		<u>1970</u>	<u>1980</u>	<u>1985</u>	<u>1990</u>	<u>2000</u>	<u>70-80</u>	<u>80-90</u>	<u>80-2000</u>
Brisbane									
	ABAG:	3,003	2,969	3,200	3,800 <sup>I</sup>	4,950 <sup>I</sup>	-1%	+28%	+67%
	Growth Staging:	3,003	2,969	3,200	3,544	4,184	-1%	+19%	+40%
	Recent Trend:	3,003	2,969	3,200	3,447	4,000	-1%	+16%	+35%
∞	County	557,361	587,329	610,150	618,100 <sup>I</sup>	626,200 <sup>I</sup>	+5%	+5%	+7%
	Region	4,558,200	5,179,784	5,536,100	5,823,450 <sup>I</sup>	6,324,750 <sup>I</sup>	+14%	+12%	+22%

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<sup>I</sup> Preliminary Economic and Demographic Projections, ABAG, March 1985.



population growth, a change in the annual rate of growth, coupled with a lower rate of household formation, would alter the projected need for new housing.

Brisbane is homogeneous in terms of racial make-up. 89% of the population is white, nearly 4% is Asian or Pacific Islander, less than 1% is black, 12% consider themselves Hispanic and 6% are of other racial backgrounds.

Brisbane's population is aging; the number of residents age 65 or older is growing. There was a significant decrease (by almost 9%) in the number of children between 1970 and 1980. Brisbane is similar in age distribution to the County, particularly among children and the elderly. Twenty year forecasts for the Bay Area show a continuing increase in the proportions of middle-age and elderly people (45-64 and 65+, respectively), and a leveling off in the numbers of children and teenagers.<sup>1</sup>

Table 2  
Age Distribution

<u>Age</u>	<u>1970</u>	<u>% of Total</u>	<u>1980</u>	<u>% of Total</u>
0 - 4	255	8.5%	173	5.8%
5 - 13	471	15.7%	284	9.6%
14 - 17	169	5.6%	144	4.9%
18 - 24	347	11.6%	300	10.1%
25 - 44	817	27.2%	1,088	36.6%
45 - 59	569	18.9%	520	17.5%
60 - 64	143	4.8%	145	4.9%
<u>65+</u>	<u>232</u>	<u>7.7%</u>	<u>315</u>	<u>10.6%</u>
Population	3,003	100%	2,969	100%
Median Age	29.4		33.6	

Average household size in Brisbane has decreased since 1970, from 2.66 to 2.18 persons. By the year 2000, if the trend continues the average Brisbane dwelling is projected to house 1.86 people, even less than the projected County average of 2.29.<sup>1</sup> The assumption that this trend will continue is being questioned by planning

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<sup>1</sup> Projections 83, Forecasts for the San Francisco Bay Area, ABAG, June 1983.





professionals.<sup>1</sup> There is no certainty at this time that the trend will continue and this uncertainty only gets larger as projections are made farther into the future. ABAG has recently revised its projected household formation rates downward to reflect its recent recognition that average household size is not falling as quickly as previously projected.<sup>2</sup> This is believed to be caused, in part, by the high cost of housing that is encouraging more sharing of units by relatives and housemates.<sup>3</sup> It is perhaps more realistic to project a range of probable household sizes in the coming decade. As the average household size gets smaller, the projected need for housing units gets larger, the needs projected in this Element assume a "worst case" scenario of 2.05 persons per unit in 1990. The number of needed units will be lower to the extent that the projections for family size are found to be too low.

Table 3  
Household Size

<u>Average number of</u> <u>Persons per Household</u>	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>
Brisbane	2.66	2.18	2.05-2.12	1.86-1.96
San Mateo County	2.97	2.58	2.42	2.29

The composition of Brisbane households also is changing. In 1970, 60% of the households were "married couple families," over half of which had children.<sup>4</sup> In 1980, only 40% of the households were married couple families, less than half with children. There has been a substantial increase in the number of adults who have remained single or are divorced. The number of single parent households, most of which are headed by single mothers, has also grown.<sup>5</sup>

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1 Mr. Lawrence Livingston, Jr., Principal, Livingston and Associates, City and Regional Planners, Sausalito, California, comment on draft.

2 Preliminary Economic and Demographic Projections, ABAG, March 1985.

3 Dr. Raymond Brady, ABAG, Personal Communication, March 1985.

4 1980 Census.

5 Ibid.



Table 4  
Households by Size (1980)

<u>Persons per Household</u>	<u>Number of Households</u>	<u>Percentage of Total</u>
1 person households	504	37%
2 person households	457	34%
3 person households	172	13%
4 person households	152	11%
5 person households	54	4%
6 or more person households	<u>11</u>	<u>1%</u>
Total	1,348 *	100%

\*Figure does not equal reported total occupied households: 1,362.

Table 5  
Marital Status (1980)

<u>Status</u>	<u>Total</u>	<u>% of Total</u>	<u>Male</u>	<u>Female</u>
Single	724	29%	440	284
Married (not separated)	1,136	46%	569	567
Separated	60	2%	35	25
Widowed	185	7%	38	147
Divorced	<u>378</u>	<u>15%</u>	<u>179</u>	<u>199</u>
Total Persons aged 15+	2,483	99%	1,261	1,222

Table 6  
Living Arrangements (1980)

<u>Household Type</u>	<u>Total</u>	<u>(% of Total)</u>
One Person Household	502	37%
Married Couple Families	553	41%
With Children	(243)	
Single-Headed Household	167	12%
With Children	(113)	
Other Household Types	<u>140</u>	<u>10%</u>
Total Households	1,362 *	100%

\*Based upon 100% count, 1980 Census.



Table 7  
Household Growth

	<u>1970</u>	<u>Historical</u> <u>1980</u>	<u>1985</u>	<u>Projected</u> <u>1990</u> <sup>1</sup>	<u>2000</u> <sup>2</sup>	<u>Percentage change</u>		
						<u>70-80</u>	<u>80-90</u>	<u>80-2000</u>
Brisbane	1,129	1,362	1,480	1,820	2,530	+21%	+34%	+86%
County	190,640	225,201	233,800	244,500	262,010	+18%	+9%	+16%
Region	1,438,800	1,971,000	2,084,310	2,229,000	2,528,390	+37%	+13%	+28%

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1 Preliminary Economic and Demographic Projections, ABAG, March 1985.

2 Ibid.





A study of Brisbane's demographic projections is important in planning for the community's housing needs: to anticipate the total number of needed units and to foresee the size and type of housing needed. Taking the ABAG projections as a "worst case" scenario, a population increase of 67% between 1980 and 2000, coupled with projected decreasing household size, would mean a doubling in the number of housing units in Brisbane. This compares to an anticipated 16% increase in new units in the County.<sup>1</sup> These figures would be adjusted downward if the population grows more slowly and if the average household size declines more slowly than the ABAG projections, as noted above.

### Employment

More Brisbane residents, particularly women, were employed in 1980 than in 1970: 84% of the males and 64% of the females over 16 years of age are part of the labor force, either employed or seeking employment.<sup>2</sup> This compares to 80% and 49%, respectively, in 1970.<sup>3</sup>

Table 8  
Employment Status

<u>Population</u>	<u>1970</u>	<u>% of Total</u>	<u>1980</u>	<u>% of Total</u>
Males, 16 or over	1,101	100%	1,212	100%
In Labor Force	876	80%	1,019	84%
Employed	837	94%	956	94%
Unemployed	39	6%	63	6%
Females, 16 or over	1,091	100%	1,220	100%
In Labor Force	533	49%	786	64%
Employed	519	98%	756	96%
Unemployed	14	2%	30	4%

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1 Projections 83, ABAG, June 1983

2 1980 Census.

3 Ibid.



The occupational mix of Brisbane's labor force is also changing: in 1980, 62% of the workers were in "white collar" jobs (executive, administrative, managerial, technical, sales, etc.), up from 47% in 1970. The proportion of "blue collar" workers (craftsmen, operatives, laborers, etc.) has decreased from 37% to 27%. Service and farm workers make up the remainder of the employed population.<sup>1</sup>

Table 9  
Occupation

<u>Occupation</u>	<u>1970</u>	<u>% of Total</u>	<u>1980</u>	<u>% of Total</u>
Employed, 16 and over	1,356	100%	1,712	100%
"White collar"	670	49%	1,060	62%
"Blue collar"	502	37%	460	27%
Service	178	13%	154	9%
Farm Workers	6	1%	38	2.2%

The shift toward "white collar" professions corresponds with an increase in educational levels in Brisbane. Over one-third of adults have at least some college education. About one-fourth have not completed high school.<sup>2</sup>

Table 10  
Education

<u>Years of School Completed</u>	<u>1970</u>	<u>% of Total</u>	<u>1980</u>	<u>% of Total</u>
Total population age 25+	1,766	100%	2,049	100%
Less than 4 years high school	898	51%	545	27%
High school, 4 years	570	32%	750	37%
College, 1-3 years	198	11%	426	21%
College, 4+ years	100	6%	328	16%

Employment projections for Brisbane and the entire Bay Area are important in considering the City's future housing needs. ABAG projects a 46% increase in the number of jobs in Brisbane by the year 2000 from 4,800 in 1985 to 7,000 in 2000.

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1 1980 Census.

2 Ibid.





This local growth is expected as a part of an annual growth of 57,146 jobs throughout the region. The number of persons in the region's labor force is expected to grow (2% annually),<sup>1</sup> largely due to immigration and a growing female labor force. The growth in number of jobs and labor force is greater than that experienced between 1960 and 1980, when jobs grew by 56,000 annually and the regional labor force expanded by almost 80%.<sup>2</sup>

### Income Levels

Real income, adjusted for inflation, has risen for most Brisbane residents over the last ten years. Per capita income (i.e., all income earned by residents divided by the total population) was \$10,929 in 1979, an increase of almost 50% since 1969. Median family income has also increased, from \$21,060 to \$25,000 (in 1979 dollars).<sup>3</sup> Per capita and household incomes are expected to continue to rise throughout the region.<sup>4</sup>

Table 11  
Income<sup>3</sup>

	<u>1969</u>	<u>1979</u>
Median Family Income	\$ 10,768	\$ 25,000
In 1979 dollars	\$ 21,068	\$ 25,000
Median Household Income	N/A	\$ 19,618
Per Capita Income	\$ 3,794	\$ 10,929
In 1979 dollars	\$ 7,419	\$ 10,929
Families Below Poverty Status Level	56	0

In identifying regional housing needs for all income levels, ABAG has categorized Brisbane's households according to very low, low, moderate and above

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1 Preliminary Economic Projections, ABAG, March 1985.

2 Projections 83, ABAG, June 1983.

3 U.S. Census, 1980.

4 Projections 83, ABAG, June 1983.



moderate income. These categories are set forth in the California Administrative Code as used by the State Department of Housing and Community Development (HCD), and are based largely upon the U.S. Department of Housing and Urban Development (HUD) income groupings to determine eligibility for Federal housing assistance. Income categories are based upon a four person household. A very low income household has an income of up to 50% of the median income for the region.<sup>1</sup> A low income household has 51 to 80% of the median regional income. A moderate income household has 81 to 120% of the median regional income. A household with an income greater than 120% of the median regional income is considered above moderate.<sup>2</sup> Brisbane's median household income was \$19,618 in 1980; the County's was \$23,175.<sup>3</sup>

Table 12  
Households by Income Levels (1980)

<u>Income Levels</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Total</u>
Annual Income <sup>4</sup>	Up to \$10,304	\$10,305- \$16,486	\$16,487- \$24,728	Above \$24,728	
Total Households <sup>5</sup>	304	263	304	512	1,383 <sup>8</sup>
% of Households	22%	19%	22%	37%	100%
% of County <sup>6</sup>	17%	16%	21%	46%	100%
% of Region <sup>7</sup>	23%	16%	21%	40%	100%

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1 Median income for the region is \$20,607; 1980 Census.

2 Housing Needs Determinations, San Francisco Bay Region, ABAG, July 1983.

3 1980 Census.

4 California Administrative Code.

5 Housing Needs Determinations, San Francisco Bay Region, ABAG, July 1983.

6 Ibid.

7 Ibid.

8 Total households based on sample count, 1980 Census.



Brisbane's income distribution approximates that of San Mateo County and the San Francisco Bay Region, although Brisbane has slightly more very low, low, and moderate income households. There are no families in Brisbane with incomes below the poverty level.<sup>1</sup>

## Housing Characteristics

### Type and Occupancy of Housing Stock

The majority of residences in Brisbane are single family homes: 73% of the total units in 1980, compared to 77% in 1970. Multi-family units make up 23% of the housing stock, almost two-thirds of which are in complexes of nine or fewer units. The remaining 4% are mobile homes.<sup>2</sup>

Table 13  
Housing Type

<u>Type</u>	<u>Units</u>	<u>% of Total</u>
Single Family	1,026	73
Multi-Family	324	23
1-9 units	203	14
10 or more units	121	9
Mobile Homes	<u>55</u>	<u>4</u>
Total	1,404	100%

Table 14  
Occupancy by Population

<u>Total Population</u>	<u>Renters</u>	<u>% of Total</u>	<u>Owner-Occupants</u>	<u>% of Total</u>
2,969	1,092	37%	1,877	63%

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1 1980 Census.

2 Ibid.





Table 15

Occupancy by Household Type

<u>Type</u>	<u># Units</u>	<u>% of Total</u>
Owner-occupied <sup>1</sup>	784	58%
Renter-occupied	<u>578</u>	<u>42%</u>
Total	1,362	100%

Vacancy Rate

Vacancy rate is a measure of the number of vacant units available for occupancy. The overall vacancy rate for Brisbane was 3.1% in 1980 compared to 3.3% in the County.<sup>2</sup> This means that 3.1% of the available year-round units are vacant and either for rent or for sale. This includes 17 units that are held for occasional use or are otherwise vacant.<sup>3</sup>

The vacancy rate for rentals is higher than that of owner-occupied units (3.3 and 0.9%, respectively). This indicates a greater availability of rental units than units for sale. Vacancy rates for one and three bedroom units show a relatively healthy availability, less so for two bedroom units. No studio or four-plus bedroom units were reported vacant and available.<sup>4</sup>

The Association of Bay Area Governments (ABAG) suggests 4.5% as an optimal vacancy rate for the San Francisco Bay Area. This would provide for normal turnover and would maintain an adequate choice of housing type, size and price range to fulfill a community's needs. Brisbane's vacancy rate is below the regional optimal level. The addition of 20 units, to the City's housing supply, for a total of 63 vacant and available units would bring the rate up to 4.5%.

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- 1 For purposes of this report, condominiums are considered as owner-occupied units.
  - 2 1980 Census.
  - 3 The vacancy rate and number of units needed to reach the optimum vacancy.
  - 4 Rates differ from the figures used in ABAG's Housing Needs Report. ABAG based its calculations upon sample census data rather than actual counts.



Table 16  
Vacancy Rates

	<u>Total Units</u>	<u>Percent</u>	<u>Additional Units Needed to meet 4.5% Rate</u>
Year round units	1,405	--	
Occupied	1,362 <sup>1</sup>	100.0%	
Owner-occupied	784	57.6%	
Renter-occupied	578	42.4%	
Vacant	43	3.1%	20
For sale	7	0.9%	
For rent	19	3.3%	
Other vacant	17		

<u>By Unit Size</u>		<u>Occupied</u>	<u>Vacant</u>	<u>Rate</u>	<u>Units Needed</u>
Studio	55	55	0	0%	2
1 Bedroom	447	425	22	4.9%	0
2 Bedroom	525	512	13	2.5%	11
3 Bedroom	226	216	10	4.4%	0
4 Bedroom	65	65	0	0%	3
5+ Bedroom	<u>15</u>	<u>15</u>	0	0%	<u>1</u>
	1,333	1,288 <sup>2</sup>			17

The turnover rate among households in Brisbane is fairly normal: about half the households have lived in their present home for five years or less, while almost 20% have not moved for at least 20 years. As could be expected, renters tend to move more often than owners.

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<sup>1</sup> Based on final census count.

<sup>2</sup> Based on sample census count.



Table 17

Length of Residence at Address

<u>Number</u> <u>of Years</u>	<u>Occupied</u> <u>Units</u>	<u>% of</u> <u>Total</u>	<u>Owner-occupied</u> <u>Units</u>	<u>% of</u> <u>Total</u>	<u>Renter-</u> <u>occupied</u>	<u>% of</u> <u>Total</u>
1 or less	317	25	100	14	217	37
1 - 5	388	30	126	18	262	45
5 - 10	155	12	100	14	55	9
10 - 20	219	17	183	26	36	6
20 - 30	89	7	75	11	14	2
30 +	<u>120</u>	<u>9</u>	<u>120</u>	<u>17</u>	<u>0</u>	<u>0</u>
Total	1,288 *	100 %	704	100 %	584	99 %

\*Based on 1980 Census, sample count.

Overcrowding

One way to reduce housing costs is to add members to the household. Among some ethnic minorities, it is traditional to have larger families or live with an extended family (grandparents, cousins, aunts and uncles, etc.). It is becoming more common for groups of unrelated household members to share housing expenses. Given this trend, inadequate or overcrowded housing conditions can become a health hazard.

The United States Department of Housing and Urban Development (HUD) defines overcrowding as having more than 1.01 persons per room, counting all rooms in a living unit except the kitchen and bathrooms. Using this criteria, 53 units in Brisbane were overcrowded in 1980, 33 of which were renter occupied housing units.<sup>1</sup>

Housing Conditions

A housing needs determination must reflect the physical condition of housing stock as well as the availability of units to meet the market demand. Structural stability, the age of housing, and the presence or absence of complete kitchen or plumbing facilities are indicative of physical housing conditions.

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<sup>1</sup> 1980 Census.





A windshield survey of the City's housing stock (not including mobile homes) was made in 1979. The condition of structures was evaluated using criteria established by a HUD survey coding manual. Evaluation of the structures included an assessment of structural components such as roofs, foundations, siding, walls, porches, steps and frames. At the time of the survey, 373 units or 28% of all structures, had minor structural deficiencies; 147 units (11%) had some structural deficiency; and 40 units (3%) needed replacement. The remaining 773 units (58%) were structurally sound.

The 1980 Census reports on the age of structures and the presence of kitchen and plumbing facilities. In 1980, 56% of the housing stock was 30 years or older, 26% was between 20 and 30 years old, and 18% was 10 years old or less. Twenty-two units (mostly rentals) lack complete plumbing facilities for the units exclusive use and 38 units reportedly do not have complete kitchen facilities.

### Cost of Housing

The cost of housing increased dramatically during the 1970's. Housing values for San Mateo County more than tripled.<sup>1</sup> Brisbane's housing values climbed over 500% from an average value of \$20,000 to an average value of \$103,800. Still, Brisbane's median housing value in 1980 (\$85,600) was considerably below that of the County (\$124,400). 1980 median monthly housing costs were reported at \$413 for owner-occupants with a home mortgage, and \$91 for those without a mortgage.<sup>2</sup> Figures are not available for 1970.

Rents have not increased quite as much as ownership housing values. Brisbane's median monthly rent payment rose 116%, from \$128 to \$276, between 1970 and 1980. County-wide, median rents increased by 103%, from \$154 to \$313.<sup>3</sup>

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1 The Northern California Real Estate Council's Peninsula Market Trend Index shows the value of single family homes gained 352% between April 1970 and 1981.

2 1980 Census.

3 Ibid.



## Affordability to all Income Levels

Affordability, or the ability of households to pay for their housing, is a function of household income and the cost of housing. The discussion above identifies housing costs to present occupants. To measure the actual affordability of housing, one must consider the cost of purchasing or renting a unit in the market today. The mean value of owner occupied units in 1980 (\$97,500) was considerably lower than the mean value of vacant for-sale units (\$137,000). Similarly, rents in 1980 for occupied rental units (\$281) versus vacant for-rent units (\$341) shows the problem of finding affordable housing.

As a general guide, State and Federal housing programs consider monthly housing payments that are less than 25% of a household's monthly income as affordable. For owner-occupied housing, the 25% monthly affordability standard applies to monthly mortgage payments.

The affordability of a home in today's market must consider costs in addition to monthly payments. Assuming a 12.5% interest rate on a home mortgage, and a 20% down-payment, an annual income of approximately \$33,000 is needed to buy the average price home in Brisbane (\$103,800 in 1980 dollars).<sup>1</sup> Approximately one-quarter of Brisbane's households, i.e., those that earn at least \$33,000 a year (in 1980 dollars) can afford to buy such a unit at standard mortgage rates. No very low, low or moderate income household can afford to buy the average priced home.

According to the 1980 Census, 60 owner-households with incomes under \$20,000 were paying 35% or more of their income for housing. Of renter households earning \$20,000 or less, 206 were paying more than 25% of their income for housing. A total of 266 households in these categories could be considered overpaying for housing.

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<sup>1</sup> Home values were estimated by residents responding to the census. They may not reflect actual market values of the homes, and usually tend to be lower. (San Mateo County Planning Division, December 1982).



## Summary and Policy Concerns

The picture of Brisbane that emerges from this profile is one of change. Brisbane is facing a boom in population growth, an aging of the population and a loss of children, a decline in household size, a decline in the percentage of married couple families, an increase in white-collar workers, and an increase in average incomes. These changes can dramatically alter the character of the community.

It is a goal of the City to maintain a balanced community that can be considered home for a full range of income groups, occupations, types of people and types of households. This is based on the idea that a diverse community is a stable and enriching community. It also is based on the City's recognition of its responsibility to address a broad range of housing needs.

Current trends indicate that this balance and diversity may be lost unless the City takes action. The proximity to workplaces in San Francisco and the Peninsula, the relative affordability of housing, the high quality-of-life and the attractive natural environment are characteristics of the City that attract those well-educated, higher income, white collar individuals who have been moving to Brisbane during the past decade. The attraction of these residents to the City has already caused a change in the social composition of the community. The term "gentrification" is often used to refer to this change.

The relatively small changes in social composition that have occurred so far would become overwhelming if developers, in response to this trend, build a narrow range of housing types that caters to the more affluent market.

The trend is not inevitable so long as public and private actions seek to ensure that a broad range of housing needs are met. Meeting a broad range of housing needs would help maintain a balanced community that can be a home to all kinds of people and families.

The planning and management of new housing built in the City can help maintain this balance. Requiring new housing to meet a broad range of needs in terms of incomes and lifestyles will be necessary.





The "carrying capacity" for residential growth in any City, including Brisbane, is influenced by several factors including its fiscal, environmental and social conditions.<sup>1</sup> Fiscal capacity is simply the City's ability to pay for the monetary costs of new development on top of its annual costs for servicing existing housing. These include costs for police, fire, education, health programs, roads, sewerage, transit and traffic facilities, parks, water, drainage and other vital infrastructure. These costs include both capital improvements and ongoing operating expenditures. Environmental capacity is governed by the ability to grow without exceeding certain "limits of acceptable change," such as air quality, noise and traffic standards. Social capacity, like environmental capacity, is governed by the ability to grow without exceeding certain objectives concerning the community, households, organizations and institutions.<sup>2</sup> These social objectives may be concerned with a variety of factors such as the ability of citizens to participate in government, perceptions of local control, the mix of jobs that are available, the level of crime, the stability of clubs and organizations, or the political balance of the City.

The fiscal, environmental and social conditions are influenced by both the rate and the total amount of growth that occurs. For example, the ability to hold City Council meetings where everyone who so wishes may speak would be lost when an increased population generates a much larger turnout at the hearings. This issue depends, in this simple example, mostly on City size. An example where the rate of growth is at least as important as absolute size is the City's budget. In this case the annual flow of revenues limits the annual rate of expenditures which in turn conditions the City's ability to grow beyond a certain growth rate.

The actual number of units that can be built without exceeding the City's carrying capacity for growth depends on these conditions, as well as the average impact per unit. Insofar as developments can be designed to have minimal impact, the actual number of units built each year can be higher than where developments are permitted to have greater impacts.

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1 Godschalk, D.R. and F.H. Parker, Carrying Capacity in Environmental Planning, 1980.

2 Finsterbush, K. and C.P. Wolf (eds.) Methodology of Social Impact Assessment, 1977.



When the capacity for growth is limited it becomes necessary to ensure that balanced growth is achieved by channeling portions of the capacity for growth to certain types of housing. Unless shares of the total growth capacity are distributed among a broad range of housing needs, it is likely that new developments of a single type will utilize all of the available growth capacity leaving little or no capacity for other types of housing needs, in turn preventing the balanced growth of the City.

The next section discusses the range of needs that should be met in order to maintain an economically and socially balanced City.



### III. HOUSING NEEDS

State law requires that a housing element quantify the existing and projected housing needs of persons at all income levels, and address the locality's share of the regional housing need. ABAG is responsible for preparing estimates of local and regional housing need, based on factors prescribed by State law (Section 65884 of Article 10.6). These factors are:

- Market demand for housing
- Employment opportunities
- Availability of suitable sites and public facilities
- Commuting patterns
- Housing type
- Housing needs of farmworkers

ABAG looks at changes in regional and community vacancy rates and in housing values/rents as indicators of market demand. Households projections are based on consideration of employment opportunities, the availability of suitable sites and commuting patterns. Type (single vs. multi-family) and tenure (owner vs. renter) are based on 1970 and 1980 census data and on updated regional projections.

#### Existing and Projected Housing Need

A community's housing need can be expressed as existing and projected. The existing need is based on the needs of the community's resident population relative to the availability, affordability and condition of the housing stock. This need is measured by the number of sub-standard structures, the number of households that are overcrowded, the number of households that are overpaying for housing, and the vacancy rate.

The following needs reflect reported sub-standard, overcrowded, overpayment, and vacancy conditions in Brisbane:



Table 18  
Existing Need

To replace structures needing abatement <sup>1</sup>	40	units
Structures needing upgrading of sub-standard conditions <sup>2</sup>	147	units
Structures lacking complete kitchen facilities <sup>3</sup>	38	units
Structures lacking complete plumbing facilities for exclusive use <sup>4</sup>	22	units
Overcrowded conditions <sup>5</sup>	53	units
Overpayment	266	units
To provide for optimal vacancy rate <sup>6</sup>	20	units
Total	586	units

This total existing need represents the total number of "incidents" where a need occurs. It is probable that some of these incidents occur in the same house; very low income households that are overpaying may be living in sub-standard units or overcrowded conditions. Units lacking complete kitchen or plumbing facilities may have other sub-standard conditions. Therefore, the total number of units with existing needs is probably considerably lower than the 586 units given above. Nevertheless, taking this number as a "worst case" scenario, the total would amount to 42 percent of all of the housing units that existed in 1980, when these figures became available.

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1 1979 Windshield Survey.

2 Ibid.

3 1980 U.S. Census.

4 Ibid.

5 Ibid.

6 See Table 16, Vacancy Rate.





Meeting this significant existing need is an important responsibility of the City, pursuant to State laws and local plans. The City should allocate a reasonable share of its resources toward providing for these existing needs. This is important where there is a limited annual budget with which to provide for both existing needs and needs created by new housing development. Section IV discusses this tradeoff under the heading of Growth Staging.

These existing needs can be remedied by a combination of programs including the provision of new units, the rehabilitation of existing units and the distribution of rent subsidies. The number of existing units that should be subject to each of these remedies is given in Table 19. The table indicates that a total of 73 new units should be provided to remedy part of the existing need. These units are to be added to the "projected need" to determine "total need."

"Projected need" is the number of units needed to accommodate the community's projected household growth and the locality's share of the regional projected housing need. It includes the number of units calculated to bring the City to an optimal vacancy rate (20 units), plus the number required to provide for the projected household growth between 1980 and 1990. ABAG has projected housing needs for expected populations for the period 1980 to 1990 based on the factors listed above. Projected need is given in the Table 20.



Table 19  
Summary of Existing Needs and Proposed Remedies

<u>Existing Need</u>	<u>Remedies</u>		
	<u>Rehabilitation</u>	<u>Provide New Units</u>	<u>Payment Subsidy</u>
To replace structures needing abatement - 40 units		40	
To remedy sub-standard structures - 147 units	37 <sup>1</sup>		
To remedy structures lacking complete kitchen facilities - 38 units	10 <sup>1</sup>		
To remedy structures lacking complete plumbing facilities for exclusive use - 22 units	5 <sup>1</sup>		
To remedy overcrowded conditions - 53 units		26 <sup>2</sup>	
To remedy overpayment (very low income category only) - 266 units		7 <sup>3</sup>	27 <sup>4</sup>
To remedy less than optimum vacancy rate - 20 units <sup>5</sup>			
TOTAL	52 units	73 units	27 units

- 
- 1 Based on the objective of improving 25% of those units in need of repair over five years.
  - 2 Provision of half the needed units will presumably relieve overcrowded conditions.
  - 3 Provision of affordable units.
  - 4 Based on target of providing subsidies to 10% of the families over five years.
  - 5 Included in Projected Need.



<u>Table 20</u>	
<u>ABAG Projected Housing Need</u>	
Projected Need (1980-1990)	535 units <sup>1</sup>

New projections by ABAG indicate that this projection should be revised downward.<sup>2</sup> ABAG has found that the rate of household formation has been slower than it thought it would be when the original needs determinations were prepared in 1983. ABAG has reduced the projected household growth in its new 1985 projections. Thus, the City's needs projection also should be updated. The updated ABAG Projected Housing Need is given in Table 20a. This same trend of falling needs projections applies Statewide. The California Department of Housing and Community Development recently adjusted its housing need forecast for the State by reducing the projected annual Statewide need by over 27%, from 310,000 units annually to 225,000. HCD based its reduction on a number of factors, including existing housing units, normal market removals, new household formations, and census data.

This updated projection is based on needs between 1980 and 1990. In the past 4 years, 55 units (23 single family homes and 29 multi-family) have been constructed. Therefore, ABAG's updated projection (based on 1980 total units) must be adjusted to reflect the construction of 55 units. Table 21 gives the adjusted figures:

<u>Table 20a</u>	
<u>Updated ABAG Projected Housing Need</u>	
Updated Need (1980-1990)	478 units

<u>Table 21</u>	
<u>Adjusted and Updated Projected Housing Need</u>	
Projected Need (1985-1990)	423 units

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1 Housing Needs Determination, San Francisco Bay Region, ABAG, December 1983.

2. Preliminary Economic and Demographic Projections, ABAG, March 1985.





This projected need should be added to the existing need to determine "total need" as follows:

<u>Table 22</u>	
<u>Total Need</u>	
Adjusted Projected Need to 1990	423 units
Existing Need, 1980-1990	<u>73 units</u>
Total Need by 1990	496 units

The City of Brisbane will seek to meet a broad range of needs in the City and region. The "broad range" is defined in terms of price, tenure (i.e., rentals v. ownership), and unit size (i.e., 1 and 2 bedrooms, 3+ bedrooms). The City is also concerned with the mix of housing "types" that are developed in order to preserve the social and physical character of the community (i.e., single-family detached, multi-family attached). The distribution of needs across these categories is provided in Table 23. The distribution is based on a combination of the adjusted ABAG projections for projected needs to 1990 and the existing needs. The distribution assumes that the relative distribution of housing by type, tenure and size would be approximately that of the 1980 Census distribution. This is the same assumption used by ABAG in its July 1983 housing needs determination report (Tables 9-24). It is also assumed that the 55 units built since 1980 are equally split among the moderate and above moderate price categories because none of the units were targeted to be affordable. Consequently, the units built since 1980 are counted against the needs for moderate and above moderate income units.

The distribution of needs is based on ABAG projections for total need by income level and the 1980 distribution of units in the City according to size, tenure and type. State law requires that regional housing need determinations consider the needs for housing at all income levels, and that the distribution of regional housing need "seek to avoid further impaction of localities with relatively high proportion of lower income households." In addressing the regional need for housing by income category, ABAG assumes that each locality's fair share should include an equitable proportion of the regional need as well as the locality's need. The projected housing need by income averages the City's existing income distribution percentages with the County's and region's income distribution percentages as a means of providing for the regional need.



The distribution given on Table 23 combines needs for housing at each price level with the expressed goal of preserving the diversity of housing types in the City. This goal is rooted in the desire to ensure a place in Brisbane for all kinds of people. Cities, such as Brisbane, facing a rapid increase in population, often find that new growth is dominated by a single category or narrow range of housing type. This new housing mix begins to change the distribution of housing types in the City, which in turn changes the basic social mix of residents. In order to preserve a balanced social mix in terms of income, household types, family sizes, and housing tastes, Brisbane should ensure that a broad range of housing needs are met by newly constructed housing.

This distribution of needs should be a guide for new residential development. Exceptions and adjustments to this distribution may be necessary and would be acceptable if, for example, it proves financially impossible to produce a certain category of housing or it becomes possible to produce multi-family housing in the style and character of single-family units. Sections IV and VIII discuss a growth staging system that will distribute annual growth across the broad range of needs shown on Table 23, while providing flexibility where necessary.

### Special Needs

Some residents of Brisbane have special housing needs. Elderly or handicapped people may need specially designed access to housing, small living areas, or special recreational facilities. Large or extended families need multi-bedroom units and single parent families may need lower priced units designed to accommodate children. Ethnic minorities' housing needs often overlap with those of large families and lower income households. The Housing Element must address these needs and recommend ways to accommodate them whenever possible.

These special needs were not included in Table 23 because of the possible overlap with other needs categories, such as affordable units. However, a share of the annual growth in the various categories in Table 23 should be used to meet the needs of these special households.



Table 23

Projected and Existing Need by Income, Tenure,<sup>1</sup> Unit Size,<sup>2</sup> and Unit Type<sup>3</sup>

(Housing Units) (% of total given in parentheses)

Income	Rental Units				Owner-Occupied Units				Total Units
	(54)				(46)				
	Family-Size <sup>8</sup>		Non Family-Size <sup>9</sup>		Family-Size		Non Family-Size		
	SF <sup>10</sup>	MF <sup>11</sup>	SF	MF	SF	MF	SF	MF	
Very Low <sup>4</sup>	5	29	5	98	1	1	1	2	142
	(.9)	(5.9)	(.9)	(19.7)	(.2)	(.2)	(.2)	(.5)	(28.6)
Low <sup>5</sup>	9	2	27	9	9	2	26	8	92
	(1.8)	(.5)	(5.4)	(1.8)	(1.8)	(.5)	(5.2)	(1.6)	(18.7)
Moderate <sup>6</sup>	2	1	8	2	14	4	42	13	86
	(.5)	(.2)	(1.6)	(.5)	(2.9)	(.9)	(8.4)	(2.7)	(17.8)
Above Moderate <sup>7</sup>	12	5	39	13	20	6	58	20	173
	(2.5)	(.9)	(7.9)	(2.7)	(4.0)	(1.3)	(11.7)	(4.0)	(34.9)
Total All Units	28	37	79	122	44	13	127	43	496
	(5.8)	(7.6)	(15.8)	(24.8)	(8.8)	(2.9)	(25.5)	(8.8)	



- 
- 1 Based upon maintaining the 40%/60% distribution of rental/owner occupied housing units in the City, County and Region in 1980 except for very-low income needs that are to be met by rentals with the exception of experimental ownership programs. This exception causes the actual split to be 54%/46% rental/owner occupied.
  - 2 Based upon the 75%/25% distribution of non-family/family units sized in the City in 1980 (see Table 16, page 17).
  - 3 Distribution based on the approximately 75%/25% distribution of single-family/multi-family housing in the City in 1980 except for very low income housing which is assumed to be multi-family due to economic constraints. A few units are reserved for very low-income style family type units to be built on an experimental basis.
  - 4 Less than 51% median family income.
  - 5 51 - 80% median family income.
  - 6 81 - 120% median family income.
  - 7 Greater than 120% median family income.
  - 8 3+ bedrooms.
  - 9 0-2 bedrooms.
  - 10 SF = Single-family type.
  - 11 MF = Multi-family type.





## Elderly

Persons over 65 years of age constitute a significant and growing segment of Brisbane's population (315 persons, or 10.6% of the total population).<sup>1</sup> Since 1970, the number of elderly residents has grown from 7.7% to 10.6%, consistent with a comparable County-wide trend.<sup>2</sup> Many elderly persons have difficulty finding housing they can afford on a fixed and often small income. Residents of owner-occupied homes (82% of the total elderly population) can afford the relatively low housing costs, but the next generation of elderly persons facing spiralling housing costs are not as fortunate. Much of the housing supply that now houses the elderly will not be affordable in the future.

Brisbane has neither housing units nor programs specifically designed to accommodate needs of the elderly. Senior citizen housing was considered for inclusion in the Northeast Ridge proposed development project, but concerns were raised over the site's distance from the community center. Facilities for senior housing should be proximate to shopping and transit services. A more suitable site would be the motel/trailer park on Old County Road.

## Handicapped Persons

Handicapped persons may need specially designed housing or specific social services. Or, if unable to work, they may need low priced housing. The 1980 census shows that 218 Brisbane residents have a work disability, 22 are prevented from working at all. One hundred people 16 years or older have a disability that prevents them from using standard public transportation. Much of the City's housing is in steep areas not suitable for handicapped facilities (ramps, parking spaces, elevators, etc.).

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1 1980 Census.

1 Ibid.



## The Homeless

According to a 1985 survey of informed local officials, there are no homeless individuals living in Brisbane at this time and there is no current need to provide services for the homeless. Missions that serve these needs are located in South San Francisco, San Mateo and Redwood City, managed by the St. Vincent DePaul Society and the Salvation Army.



#### IV. HOUSING CONSTRAINTS

State law requires an analysis of potential and actual governmental and non-governmental constraints to the maintenance, improvement and development of housing for all income levels.<sup>1</sup> The Housing Element must identify ways to reduce or overcome these constraints, if possible, in order to meet the City's housing needs. Several such constraints on new residential development exist in the City of Brisbane. These can be categorized as "non-governmental" and "governmental" constraints. Those constraints that serve no legitimate public purpose could be reduced to encourage housing development.

##### Non-Governmental Constraints

###### Land and Construction Costs

The price of housing has risen at a much greater rate than household income. Contributing factors include increasing costs for land, materials, labor, financing, service fees and associated development requirements. Housing speculation, scarcity rents and sales costs also contribute to the growing cost of purchasing a home. (See above, Costs of Housing for further discussion.)

Construction costs in Brisbane are not particularly higher than other locations in San Mateo County, although in some cases narrow roads must be widened or, in the case of uphill lots, significant grading and retaining walls may be required. Exclusive of land, a 1,600 square foot house with three bedrooms would cost about \$42 per square foot or \$65,000 to build. Profit and commission would raise the total land and house price to about \$143,000.<sup>2</sup>

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1 California Government Code, Section 65883.

2 California State Housing and Development Department.





Rental construction has become increasingly costly for many of the same reasons. Without the immediate high profit motive of for-sale units and with market limitations on rents, developers prefer to build units for sale.

Profit motives also inhibit the development of affordable units, units for special needs households, and homes that are similar in character to those existing in Brisbane.

Most of these costs are beyond local control. The City has little influence over national policies affecting interest rates, wage and material costs, the availability of subsidies and the real estate market. The City can, however, assist in reducing housing costs by assisting developers with tax exempt financing, offering density bonuses, designating adequate sites for residential development at densities that make affordable housing feasible, encouraging "no-frills" units, reserving a share of allowable annual growth for affordable and other special types of units, and carrying out other housing assistance programs described below. All programs aimed at providing affordable housing by reducing housing costs should include provisions to assure the continued affordability of the housing so that the long term as well as existing City housing needs are met.

#### Availability of Services and Street Capacities

Water, sewerage, storm drainage, and street capacities are generally adequate throughout most of Brisbane's developed residential areas to accommodate infill development. Where services or circulation are a problem (primarily in the upper elevations of the City), development costs associated with environmental and safety problems already preclude development of affordable housing. Water supply and pressure for fire fighting are marginal. Limited access, narrow streets, and the lack of adequate on-street parking in most of these areas make multi-family densities inappropriate.

The City's storm drainage system adequately serves the existing developed area except for two locations which are identified as flood hazard areas: the northernmost block of Central Brisbane bordered by Old County Road, San Francisco Drive and extending to Alvarado (occupied by a motel and trailer park), and an area south of the PG&E substation and north of Main Street extending 900 feet east and west, and



100 feet north and south. Any new residential use of these sites would have to satisfy the City's flood hazard regulations.

Residential developments outside of existing neighborhoods will require extension of service systems (water, sewer, storm drainage) and perhaps some street intersection improvements. The issuance of assessment district bonds by the City can help defray other public service improvement costs. The cumulative effect of development outside of the existing residential areas will add significantly to traffic on Guadalupe Canyon Parkway and Bayshore Blvd.

The rate and location of new residential development should be managed to prevent the capacity of streets and other public services from being exceeded. New residential development should be prohibited where public services are not available. New services should only be provided where the City can provide the services within its fiscal capacity, unless public costs can be lessened by developer contributions. Even where funds are available, services should not be extended to properties where development would cause significant social or environmental impacts.

### Governmental Constraints

#### Land Use Regulations

Private development of land often creates costs that are borne by those other than the builder. These may include, for example, safety risks from poor construction experienced by homebuyers, or parking shortages experienced by neighbors. Land use controls are often designed to "internalize" these costs by requiring a developer or property owner to take certain actions or limit the use of his property in order to reduce these risks or impacts. According to this principle, developments should pay for any costs they impose on the community in terms of impacts on traffic, parking, noise, or any other environmental conditions. Land use controls intending to make a developer responsible for impacts caused by the use of land may increase the cost of development and thus the cost of housing. According to the principle of internalized costs, these costs are legitimate and should be borne by those who cause them. However, where these added costs do not serve to internalize the real impacts of development, the costs should be avoided.



Zoning regulations, such as minimum parcel sizes, setbacks and parking requirements limit the type and density of development on a site, thereby increasing the land cost per unit. The City's building codes also set standards which may add material or labor costs to the construction of new units. Required site improvements and community service fees, such as traffic signals, sewer or water system improvements and park dedications/fees, also add to development costs. Minimum lot size and off-street parking requirements, necessary for aesthetic, environmental and safety reasons, can further affect land costs. The minimum lot width in single family districts is 50 feet. Single family homes are required to provide two covered parking spaces on-site plus one to two off-site. Multi-family residences must provide at least one garage per unit.

Environmental and aesthetic controls also add to the cost of housing. Medium Density and Multiple Use residential districts require a minimum amount of landscaping for structures of three or more units. Multi-family residences of three or more units must obtain a Design Permit. The Planned Development District ordinance requires preparation of detailed site plans, submittal of information and a fee necessary to cover preparation of an EIR, a geologic and soils analysis, and other information as necessary. Most of these requirements are important for the health, safety and welfare of residents. Sites with significant environmental constraints are not recommended for affordable housing. Where projects do provide lower income units, the City could consider reducing fees (see below) or allowing flexible design and cluster development to overcome environmental constraints.

As stated above, many of these costs are a result of "internalizing" the public costs of private enterprise. However, to the extent that they are costs that cannot be justified by the resulting benefits, such costs should be avoided. The City will review these land use regulations and where possible, without significantly jeopardizing public safety or community character, reduce or modify development requirements in order to reduce housing costs. For example, housing units designed for senior citizens or handicapped persons may not need the same number of parking spaces as other housing. Minimum lot standards also could be modified to allow more units thereby reducing housing costs wherever the modification would not conflict with other City goals and policies.





### Local Processing and Permit Procedures

The time and costs associated with obtaining various permits can increase the cost of housing by delaying construction and causing developers to spread the resulting extra costs over the price of individual units. The City has adopted procedures to limit the length of review time and to encourage the streamlining of permit review procedures. The City also should seek other means of minimizing these costs within the limits of effective planning practice.

### Dedications and Fees

Fees required by the City for development review and processing add to development costs. The City's Subdivision Ordinance requires the dedication of land for park and recreational purposes or the payment of fees in lieu of land dedication. The ordinance requires the posting of performance, labor and materials bonds to assure compliance with the adopted development plan. Fees also are required for use permits, rezonings, subdivision maps, general plan amendments, negative declarations, and in some cases, preparation and review of EIR's. Although Brisbane's fees are relatively low, some could be reduced or waived for projects providing affordable lower income housing.

A recent survey of neighboring communities showed a wide range of planning fees. Brisbane's fees generally are comparable or even at the low end in many cases. Although Brisbane's fees are relatively low and do not cover real processing costs, some fees could be reduced or waived for projects providing affordable housing. In addition, consideration could be given to reducing use permit and variance fees for residential projects since these usually are projects intended to conserve and upgrade existing housing.

Impact fees are a separate category of fees that are not charged for the cost of processing applications but for the cost of mitigating environmental impacts caused by development. These fees, like land-use controls, help internalize the social costs of development by requiring developers to pay for the cost of mitigating the impacts caused by their developments. These fees typically are charged on a per unit basis and are used to cover a variety of impacts. These include the cost of improving local and regional streets, highways and transit, sewerage and sewage treatment plants, water distribution facilities, community services, groundwater





recharge basins, or any other facilities needed to mitigate the impacts of development. Any new residential development should be charged impact fees wherever any significant environmental impacts are identified through environmental review procedures. These impact fees should be set by the City Council. Such fees should not be excessive in order to prevent their increasing the cost of housing. A fee should not be considered excessive if it is based on the true cost of mitigating the impacts of development, irrespective of the actual amount. The fees should be adjusted for contributions otherwise made toward the elimination of impacts and for developments smaller than 10 units. The fees also may be adjusted if the developer can design the project to cause less impact than assumed by the impact fee system.

### Building Codes and Their Enforcement

Building code requirements and enforcement are standard in Brisbane, in conformance with the Uniform Building Code. Modification of the codes for the purpose of reducing housing costs is not possible.

Newly enacted energy conservation standards may add to the immediate cost of construction. Over the long run, however, conservation measures will result in home energy cost savings.

### Growth-Staging

Brisbane's population has been virtually stable over the past fifteen years, with a small loss in population (-1%) between 1970 and 1980, and a modest gain (7.8%) between 1980 and 1985. This population stability contributes to local residents' feeling of pride that they live in a "small-town" amidst the Bay Area metropolis. The characteristics of a small-town lifestyle which are highly valued by local residents include knowing your neighbors, being close to local services, having greater access to local officials and services, having stable public service costs, and experiencing less noise, congestion, and crime than in larger communities.

Brisbane is a classic village or hamlet type of community. As such it is particularly vulnerable to change in its fundamental character as a result of residential growth. Although a larger city can absorb a great deal of growth without significantly changing its basic character, a smaller city cannot absorb a significant



amount of growth without "growing out" of the small-town flavor that attracted much of its population in the first place. A large body of research documents the effect of city size on the quality-of-life, the public fisc and private economic activity. These studies indicate that both the population size and the rate of growth are separate yet important factors affecting the City's social, economic and environmental character.<sup>1</sup>

Another factor which adds to local residents' feeling of identity with their town is its physical layout. The residential area of Brisbane fills a topographical "bowl" in San Bruno Mountain. In comparison to the surrounding communities which sprawl around the base of San Bruno Mountain, Brisbane is compact and visually comprehensible.

Although there is still some room for new development to occur in this core area, most future growth will be on large parcels of land to the north, that is, the area known as the Northeast Ridge and the Southern Pacific property, among others. The potential exists therefore for separate sub-communities to develop within the City's limits which would be physically divorced from the existing community of Brisbane. Because of the size of the developable areas and the fact that they are under single ownerships, it is likely that development proposals for these lands will be large-scale in nature. Depending on the land uses proposed and the rate of development, these developments could significantly change the quality of life now enjoyed in Brisbane.

The social and economic impacts of rapid, large-scale urban development, often called "boomtown growth," have been widely studied. The following factors are often associated with boomtown growth.

1. The infrastructure investment and on-going service costs of rapid growth are often subsidized by established residents under uniform taxation arrangements. Established residents often resent this.

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1 See, for example, Elgin, P., et al., City Size and The Quality of Life, Stanford Research International for The National Science Foundation, November 1974.



2. The preferences for particular public services and service levels may vary substantially between established residents and newer ones.
3. The socio-economic makeup of newly-formed communities may differ substantially from the established community, leading to political discord.
4. The sheer numbers of people associated with boomtown growth may not be assimilated without significant declines in the quality of public services and community life.
5. The ability to adequately mitigate environmental impacts can be compromised because of the limited availability of funds for mitigation or other delays in implementing mitigation measures that prevent them from keeping pace with rapid development.

These detrimental characteristics of boomtown growth could be substantially reduced through implementation of a growth-staging program in Brisbane.

At least 25 cities in California now have growth-staging programs in place. In a 1978 survey of 13 cities with such programs,<sup>1</sup> the 5 most important objectives for establishing the programs were:

1. Provision of adequate services
2. Reduction of urban sprawl
3. Environmental protection
4. Preservation of open space
5. Preservation of community character.

Thus, adopting a growth-staging program is consistent with controlling the fiscal, environmental and social impacts of rapid large-scale development in Brisbane and is a mechanism that has been widely used and accepted in other California cities.

A growth-staging ordinance in Brisbane should seek to establish an annual rate of growth which would balance the following goals:

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<sup>1</sup> Burrows, Lawrence B., Growth Management, Center for Urban Policy Research, Rutgers University, 1978.





1. Balance the need to provide a fair share of the region's housing needs with the need to avoid the negative impacts of too-rapid growth.
2. Provide housing for a broad range of needs in terms of price, special needs, size and type.
3. Balance the distribution of fiscal resources among existing and projected housing needs.
4. Maintain and improve the current quality of life in Brisbane.

The current City cost to serve each existing housing unit in Brisbane is approximately \$1,412 per year. This cost, in relation to annual City revenues, gives the City's fiscal capacity for growth. The number of additional housing units that can be served in a given year is based upon the amount of the City's Ending Fund Balance, if any, which is "undesignated" for city capital improvements. Based upon a joint study by the City's Finance and Planning Departments, approximately 20% of the Ending Fund Balance should be retained in the future for a contingency fund. These monies could be used to offset new residential development service costs. A conservative projection of these potential revenues in comparison with the cost of serving new units indicates that the City can reasonably expect to serve a maximum number of 32 new units per year over the next 10 years, or an annual rate of increase in the housing stock of approximately 2%. The methodology used to determine the average overall cost to serve residential units, as well as the 10 year forecast of City revenues available to serve new residential development, is explained in detail in Appendix I.

It is more difficult to determine the City's social capacity to assimilate new residents. However, the City of Brisbane's historical average annual growth rate of housing units over the past years has been approximately 2% per year between 1970 and 1980, and 0.8% per year between 1980 and 1985 for an average of 1.6% per year between 1970 and 1985. Many California cities concerned with their limited ability to assimilate new residents have established annual growth rates between 2 and 3%.

The City's environmental capacity for growth is related to its fiscal capacity insofar as the environmental impacts of development are partly dependent on the City's ability to pay for environmental mitigation measures, supplemented by developer contributions. Consequently, this Element assumes that for the next five years environmental capacity can be made available as long as there is fiscal



capacity to offset environmental impacts. However, mitigation measures seldom fully offset environmental impacts, which ultimately will cause the City's environmental capacity to become limited, even where fiscal reserves are available to pay for mitigation.

The growth capacity of the City is determined by those conditions which present the greatest limitations. In this case, the City's social and fiscal conditions appear to be the most limiting factors. Available evidence suggests that these factors limit the City's growth rate to between 2 and 3% per year, unless the future impacts of growth are less than in the past. Therefore, in order to balance both its fiscal and social capacity for absorbing new residential growth, the City of Brisbane should establish a growth-staging mechanism that sets a base annual growth rate of 2%, or approximately 32 new housing units per year. This should be a base rate that may be exceeded when it can be shown that a higher rate will not cause unacceptable social, fiscal, or environmental impacts. The base rate is not established in order to eliminate the possibility for a faster pace of development. It only specifies the rate of growth that is possible under existing fiscal, social and environmental conditions and normal levels of mitigation. A faster pace would be possible and acceptable so long as it would not inhibit the achievement of other City goals, policies and objectives.

As stated above, there is a projected need for 496 units by 1990 as Brisbane's contribution to the region's housing needs. This is equivalent to 99 units per year. While the City has a strong interest in providing its "fair share" of new housing units, it must do so within the bounds of its fiscal responsibilities and capabilities. The State Housing Element regulations state that in situations such as this where a local housing needs determination may exceed a community's ability to afford such development, "the quantified objectives need not be identical to the identified existing housing needs..."<sup>1</sup> Therefore, the City of Brisbane may legally base a growth-staging program on the maximum number of new housing units that it can reasonably afford to serve. In addition, it should be noted that the ABAG housing needs determination for Brisbane was based largely upon the development potential of the Northeast Ridge project. This in turn was based upon the maximum number of

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1 California Government Code Section 65583 (7) (b).



dwelling units allowed under the City's 1980 General Plan. Since that time, new fiscal, environmental, and social information indicates the need to reconsider the development capability of the Northeast Ridge. This is being undertaken as a part of the General Plan Land Use Element update program.

Several major new development proposals are pending or expected soon by the City. Thus far, project proponents have designed their projects almost entirely for market-price homes. Given the limits to the City's annual ability to grow and the likelihood that future development proposals will be for large scale projects, it is possible that the total annual development capacity could be consumed by only one sector of housing demand, such as developments that only provide above moderate income units. However, according to State law, local government has a responsibility to use the powers vested in it to facilitate improvement and development of housing for all economic segments of the community. In order to ensure that a broad range of housing needs is met in the City on an ongoing basis, the City should reserve a share of its annual housing development capacity for housing across a broad range of needs. In order to accomplish this, it should be a goal of the City to allocate the annual growth in proportion to the needs presented in Table 23.

Based on the foregoing, residential growth should be staged at an annual base rate of 2% per year unless a showing can be made that a faster rate would be possible without exceeding the City's carrying capacities. In addition, the annual allotment of growth should be composed of a mix of housing in terms of price, size, tenure, and type of unit. Part of this allotment also should be set aside for the provision of the Special Needs described above. This mix should be similar to the mix set forth in Table 23. The following table presents the annual allotments for an annual growth rate of 32 units (2%), without any exceptions or overrides for faster growth. Allotments of less than 1.0 unit per year should be considered average annual allotments.

The distribution of annual growth given in Table 24 is based on the distribution of needs presented in Table 23. As Table 23 shows, nearly 50% of the added units need to be affordable to very low and low income households, 75% of the units would be 0-2 bedrooms, 54% would be rentals, and 44% would be attached, multi-family units. This distribution is based on the distribution of needs for various priced units prepared by ABAG as well as the judgement of the City concerning the best mix of





units in terms of tenure, size and type. The City should be able to adjust the mix if a different mix is found to be preferable. Further studies on the effect of various housing mixes should be undertaken by the Planning staff. If new evidence indicates that a different mix is preferable for achieving the City's goals and policies, the City Council should be empowered to revise the mix accordingly.

The distribution of growth, set forth above in Table 23, also may be adjusted where it is economically, physically or environmentally impossible to achieve those objectives or where an alternative distribution is preferable for the achievement of other City goals. However, the objectives for multi- and single-family units only may be adjusted where design innovations permit the basic goals for family living to be achieved in multi-family type housing.

In the absence of significant exceptions or overrides in the annual allotment of growth, the annual staging will not permit all of the projected housing need to be met. As noted above, the City's base capacity for additional units is 2% per year, while the total need by 1990 comes to nearly 7% per year. Although staging will not prevent needs from being met through rehabilitation of existing units, it may prevent needs from being met through the provision of new housing units. However, provisions in the growth-staging system could allow a faster rate of growth that would meet the total projected need. The relationship between needs and annual staging objectives is shown in Table 25.

As stated above, the objectives for new housing need not be identical to the projected need. Brisbane is constrained in its ability to meet projected needs by its fiscal, social, environmental and other inherent capacities for growth. The City has sought to ensure the fair and equitable distribution of this burden by reserving a share of the allowable growth for each category of needs. The City will seek innovative solutions that may allow for a faster rate of growth than allowable under present circumstances. This should not, however, be interpreted as permitting local environmental, social, or fiscal standards to be exceeded.





Table 24  
Distribution of Annual Housing Objectives  
 (Based on Table 23)  
 (Units per year)

Income	Rental Units				Owner-Occupied Units				Total Objective
	Family-Size		Non Family-Size		Family-Size		Non Family-Size		
	SF	MF	SF	MF	SF	MF	SF	MF	
Very Low	0.3*	1.9	0.3	6.3	0.1	0.1	0.1	0.2	9.3
Low	0.6	0.2	1.7	0.5	0.6	0.2	1.7	0.5	6.1
Moderate	0.2	0.1	0.5	0.2	0.9	0.3	2.7	0.9	5.8
Above Moderate	0.8	0.3	2.5	0.9	1.3	0.4	3.7	1.3	11.2
Total Objective	1.9	2.5	5.0	8.0	2.9	1.0	8.2	2.9	32

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Notes:

SF = Single Family. MF = Multi-Family.

\*Annual allotment of less than 1.0 units should be considered as average annual allotments.



Table 25  
Comparison of Housing Needs and Objectives for 1985 - 1990

<u>Existing Need</u>	<u>Units Proposed</u>	<u>Policy/ Implementation</u>
40 units (to replace structures needing abatement)	40	9 / 9-A
147 units (to remedy substandard units)	147	3 / 3-A, 3-C
60 units (upgrade kitchen, plumbing facilities)	60	3 / 3-B
26 units (to remedy overcrowding)	26	9 / 9-A
266 units (subsidy needed to remedy over-payment by very low income households)	27	12 / 12-A
<u>Projected Need</u>	<u>Units Proposed</u>	<u>Policy/ Implementation</u>
100 (very low income)	12 mobile homes 13 second units	17 / 17-A 15 / 15-A
81 (low income)	9 (with 10% density bonus)	10 / 10-A
72 (moderate income)	7 with: inclusionary zoning 25% density bonus	9 / 9-A 10 / 10-A
170 (above moderate income)	56	



## V. LANDS SUITABLE FOR RESIDENTIAL DEVELOPMENT

One of the primary responsibilities of the housing element is to identify lands suitable for residential development. This identification should include a review of vacant sites and sites that are potentially redevelopable as a different or more intensive land use; and review of the relationship of zoning, public facilities and services to available sites.<sup>1</sup> State law also requires local governments to zone sufficient vacant land for residential use at standards and densities appropriate to meet housing needs of all economic segments, as identified in the General Plan.

There are several sites that could meet the needs for housing described in the previous section. Each site, however, presents special constraints and opportunities. The inclusion of a site in this section does not mean that housing may be built on the site without further study. Environmental and other reviews should be conducted before housing is permitted. Insofar as any site presents significant problems, these problems should be eliminated before new housing is developed. Well-planned and orderly growth should maintain a growth rate that is within the social, fiscal and environmental limits faced by the City. These concerns were discussed above. It should also channel new growth, within the limits of this rate, to those locations most suitable and ripe for development.

The following discussion presents the possible locations for new housing. (See Figure 1) Because there is an abundance of land for residential growth relative to the City's need and annual capacity for development, a system for channeling new growth into the most desirable locations is necessary. Such a system should be based on specific criteria for determining which areas should be developed first.

The following criteria should be used for determining the location of new residential development:

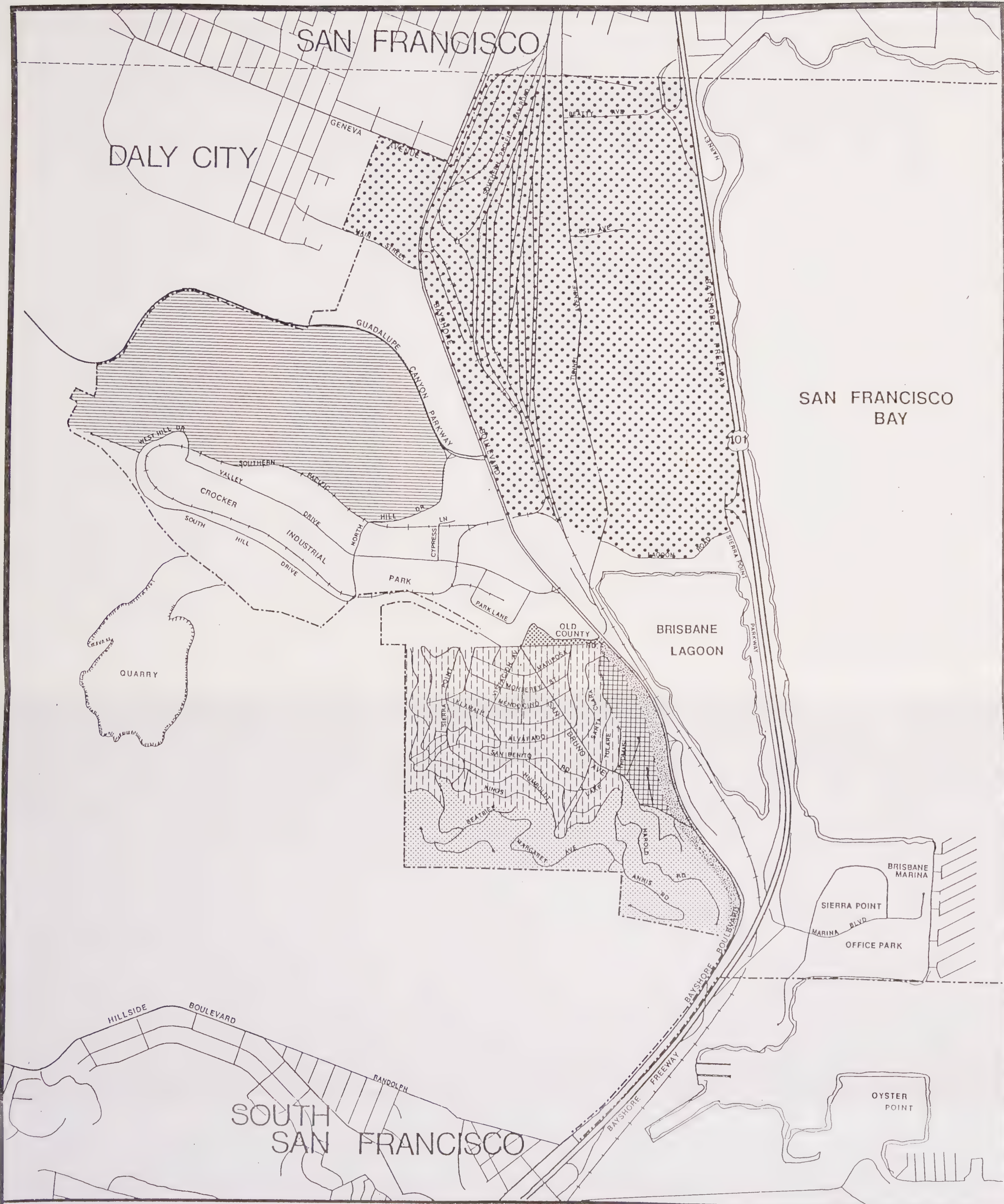
1. Growth should be spatially balanced rather than concentrated in any single ownership or location, without causing sprawl or scatteration.

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<sup>1</sup> Section 65583.












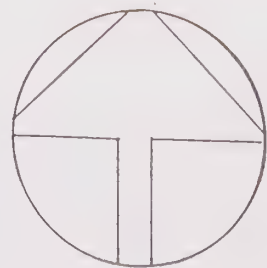


**FIGURE 1**

LANDS THAT COULD BE  
CONSIDERED FOR  
RESIDENTIAL DEVELOPMENT

**LEGEND**

-  NORTHEAST RIDGE
-  NORTHWEST AREA
-  OLD COUNTY ROAD SITE
-  CENTRAL BRISBANE
-  EAST OF SAN BRUNO AVENUE
-  BAYSHORE BOULEVARD
-  BRISBANE ACRES



0 1000' 2000' 1/2m





Opportunities for development of housing affordable to lower and moderate income households are limited because of the shortage of sites. Additionally, in the R-1, 20,000 zoned areas, the San Bruno Mountain Habitat Conservation Plan (HCP) requires identification and mitigation of impacts on the endangered butterfly habitat. Many of the upper lots are not served by adequate water, sewer, and storm drainage systems or improved roads. Traffic circulation is a problem even in lower areas where streets and lots are too narrow to accommodate adequate parking. Extension of water and sewer lines to Harold Road has opened that area to residential development but steep terrain and limited accessibility still preclude development on some parcels. A few vacant parcels remain along Gladys Avenue which are suitable for low density single family use where safe and serviceable.

Infill of duplex and multi-family complexes in the R-2 and R-3 zones could provide affordable housing if development costs are kept low. Services are in place throughout the multi-family districts. Access is generally adequate and environmental concerns are few. As older or substandard homes in the R-2 and R-3 zones become obsolete, replacement with higher density, more affordable housing may be feasible. Up to six units could be built between Santa Clara and Tulare Streets under the R-3 zoning, but land and construction costs probably would preclude provision of affordable housing. Landslide potential is low and earthquake intensity rated strong.

In general, it is desirable to concentrate development in locations in the R-1, 20,000 zone where adequate access and water are available and where grading could be minimized, thus leaving open and untouched the steepest and most remote portions of the area. The City's density transfer program should be utilized to achieve this. The intention is to encourage higher density development in the portion of the area which is more accessible to roads and water. This area corresponds roughly to that designated as Pressure Zone 3 on the Water and Sewer Systems Map of the 1980 General Plan.

#### Sites East of San Bruno Ave

Ten parcels totalling approximately ten acres on the east side of San Bruno Avenue could be suitable for development of affordable housing. The area is designated for residential development at a maximum of two units per acre and



zoned R-1, 20,000. Current City policy and ordinances provide for an increase in this density with a transfer of density from lands that are permanently dedicated as open-space. Multi-family units lie to the west; undeveloped hillside property zoned single family residential to the east. Slopes range from 0 to 40%. Services are available although adequate water pressure may be a problem. Medium density use could be compatible with surrounding residential densities. Use permits for higher densities could be contingent upon inclusion of some housing affordable to low or moderate income households and the transfer of development rights, pursuant to existing City policy. Approximately 70 units could be developed, if service and environmental requirements are met.

### Northeast Ridge

The Northeast Ridge, a 250 acre site on San Bruno Mountain, offers potential for residential development well beyond the City's housing need and capacity for new residential growth. The City anticipates a proposal to develop up to 1,250 units on the site. If built, this project alone would create nearly three times the City's projected total housing need between 1985 and 1990 of 496 units. However, if 20% of the units are affordable to low and moderate income families, the project would satisfy only about 30% of the City's housing need for low and moderate income households.

In 1982, the City approved a specific plan for the Northeast Ridge that included the development of 1,250 condominium units. The specific plan was based on and consistent with the City of Brisbane General Plan adopted in 1980. The density determination dates back at least to the 1976 County General Plan Amendments. In 1983, the City zoned the area Planned Development and adopted a Development Plan. This plan provided for the development of residential and public facility uses in the area.

If the Northeast Ridge were to be developed pursuant to the 1983 Development Plan, it would double the population of Brisbane. To accommodate the new residents, all of the existing public services would have to be expanded, including the off-site construction of a new water tank, the size of which would be determined by the City. In addition to the water tank, these improvements would include facilities and services for drainage, roads, trails, bikeways, police and fire, solid waste



collection, gas and electric, telephone and cable television, wastewater, and water. The 1983 Northeast Ridge Specific Plan requires that all public and private improvements required in connection with the project shall be paid for by the project sponsor unless, by prior agreement, San Mateo County and/or the City of Brisbane or other parties have agreed to assume certain of these costs.

In the 5 and 9 years since the City and County General Plans were adopted, respectively, new information has been developed and new circumstances have arisen that indicate the need to update the General Plan and the specific plan. Information about the impacts of rapid boom town development is presented above and indicates the need to manage the development on the Northeast Ridge as well as in the City as a whole. Information about the range of housing needs, also discussed above, indicates the importance of balancing the mix of new development in terms of housing costs, tenure, size and type of units. New environmental information and approaches to mitigation measures related to landslides as geological hazards, traffic in the San Bruno Mountain Subregion, and other areas of concern, also indicate the need to reconsider the intensity and extent of development considered appropriate before this new information was available.

The number of units permitted under the 1980 General Plan Map on the Northeast Ridge is 0-5 units per gross acre. The Northeast Ridge - San Bruno Mountain Specific Plan for the area clustered the maximum allowable density onto five building sites. This determination was based on the information available to the City at the time the plans were adopted. Recent developments in the City's information base indicate the need to manage the rate of residential growth in the City as a whole, possibly reconsider the maximum allowable density on the Northeast Ridge as a whole and in each proposed neighborhood, and regulate the type of new units to ensure that the range of housing needs in the City and Region are met. The annual number, location and mix of units that should be built on the Northeast Ridge, in terms of price, size, type, and tenure, should be established by further studies analyzing the new information that has become available since the adoption of the 1980 General Plan, the 1976 County General Plan Amendments, and the 1982 Northeast Ridge Specific Plan. Although this new information and its evaluation may indicate a need to amend the Northeast Ridge Specific Plan, and such amendments should be made if necessary, this section of the Housing Element should







be taken as neither endorsing nor revising the policies set forth in the Specific Plan. This is more fully discussed in the second paragraph of Section VIII.

#### Bayshore Blvd. South of Old County Road

Lands along Bayshore Boulevard south of Old County Road could be considered for medium density residential development or mixed residential and commercial projects. The area is designated for Commercial/Retail/Office use in the General Plan and zoned Highway Commercial (H-1). Single family residential development on sites of 10,000 square feet or larger and residential trailer parks of up to 12 units per acre are conditional uses. Two single family units have been built near the junction of San Bruno Ave and Bayshore Blvd. A 60 unit trailer park provides low cost housing and recreational vehicle storage north of San Bruno Avenue. Other uses include industrial and auto-related commercial.

Services and access are readily available to the area. Multi-family residential use would be compatible with existing residential use to the west but could be affected by traffic noise from Bayshore Boulevard. It is estimated that noise levels of 65 dB and 70 dB would be audible within approximately 150 feet and 100 feet from the center of Bayshore Boulevard. Industrial development across Bayshore Boulevard should not significantly affect the subject site. The industrial site is below the grade of the road.

Single family residential of 4 units per acre could infill vacant parcels or replace existing commercial/industrial use along Bayshore Boulevard. Additional manufactured homes of up to 12 units per acre also could be appropriate. This range is based on the development of single family residences at 4 units per acre or a mobile home park at up to 12 units per acre which are the intensities currently permitted as conditional uses in an H-1 zone. Further noise studies should be conducted before the area is used for a mobile home park because of the problems of insulating manufactured housing against excessive noise.



### Old County Road Motel-Trailer Park Site

The motel and trailer park site (approximately 2.25 acres) at the corner of Old County Road and Visitacion Avenue provide low income housing. The existing uses are old and dilapidated, however, and need considerable upgrading.

Some of the 31 motel units are occupied by persons who treat the unit as their residence. There also are 28 occupied house trailers.

An alternative use for the site is a civic center and community park, combined with senior housing. The property is designated for Commercial, Retail and Multi-Family Residential use. Development of housing, particularly for seniors, handicapped or lower income persons, is appropriate in this location close to commercial and transit facilities, with good access and adequate services. Development of the site would require filling and proper drainage to avoid flooding problems.

If the site is developed as a civic center, the City first must establish that comparable housing is available elsewhere and then assist the residents in locating such housing.

Whether or not the City is involved in the development of this site, affordable housing should be incorporated into any residential or mixed use development. Multi-family units provide the greatest opportunity for affordable housing.

### Northwest Area

The northwest area of the City is bounded on the east by the I01 Freeway, on the west by Bayshore Boulevard and the City limits, on the north by the City limits and on the south by Lagoon Road. The Bayshore Neighborhood of Daly City abuts the area on the northwest. The area contains industrial and commercial land-uses and vacant land. The 1980 General Plan designates the area for commercial and industrial development. Recent innovations in mixed use development may allow the site problems to be overcome with carefully planned designs. The area's proximity to the Bayshore neighborhood may present real opportunities for residential development, although such development would be divorced from existing Brisbane



and would serve to reduce the cohesiveness of Brisbane's residential community. Future specific planning should establish the residential potential of the Northwest Area. The area is currently zoned for industrial uses. Adequate services exist to support additional development in the area, however, circulation probably would have to be improved. Further studies of the area should focus on service constraints that may exist in addition to other planning issues.



Summary of Adequate Sites for Residential Development During the Next Five Years

Which May Be Made Available for Housing to Meet the City's Housing Goals

<u>Site</u>	<u>Total Maximum Units</u>	<u>Number of Affordable Units With 20%<sup>1</sup> Inclusionary Policy</u>	<u>Total Maximum Units With 25%<sup>2</sup> Density Bonus</u>	<u>Number of Affordable Units With 20% Inclusionary Policy</u>	<u>Suitable for Rental Housing?</u>	<u>Suitable for Manufactured &amp; Mobile Housing?</u>
Northeast Ridge	1,250*	*	*	*	*	*
Old County Road (motel/trailer park site)	12-32	2-6	15-40	3-8	yes	yes
Bayshore Blvd. (Highway Comm.)	71	14	89	18	yes	yes
East of San Bruno Ave.	70	14	88	18	yes	yes
Infill Central Brisbane	150	NA	150	NA	yes	yes
Brisbane Acres	260 <sup>3</sup>	52	325	65	yes	yes
Northwest Area	**	**	**	**	**	**
Total	303-323+	30-34+	342-367+	39-44+		

\*Per previous Specific Plan, requires further planning.

\*\*Requires further planning.





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1 See Inclusionary Zoning, Section VII.

2 See Density Bonus, Section VII.

2

3 These figures include the 70 units that could be located on sites East of San Bruno Avenue because those sites are a part of the lower Brisbane Acres. Moreover, these figures are maximum levels of development that could occur if all of the acres were subdivided into the minimum lot sizes of 20,000 square feet and if all of the housing units that would be permitted on each unbuildable lot were transferred to buildable lots. However, this level of development may not be supportable on the buildable lots. Therefore, this maximum level of development may be reduced after subsequent environmental and other reviews of actual development proposals. Furthermore, these figures are not intended to suggest that development on the upper Brisbane Acres, or on any specific parcel in the lower Brisbane Acres, would be permitted. The actual location of new development, and the intensity of the ultimate buildout on these developable sites, will be the subject of subsequent discretionary approvals and further planning.



Brisbane's residential community. Future specific planning should establish the residential potential of the Northwest Area. The area is currently zoned for industrial uses. Adequate services exist to support additional development in the area, however, circulation probably would have to be improved. Further studies of the area should focus on service constraints that may exist in addition to other planning issues.



## VI. ENERGY CONSERVATION

Energy costs are an increasingly significant portion of housing costs. The price of natural gas to residential consumers is expected to more than double by the year 2000. Electric costs are projected to increase by approximately 50 percent. Space and water heating are the principal energy needs for residents, making up 36% and 18% of combined electricity and gas consumption, respectively.<sup>1</sup> Lighting, refrigerators, and other home uses make up the balance.

In Brisbane, nearly all homes use natural gas for space and water heating. Electricity heats 16% of the homes and 6% of the residential water heating systems. Slightly over half the homes use natural gas for cooking, the other half use electricity.<sup>2</sup>

Many of the older homes in Brisbane are inefficient energy users. Outside air infiltration through windows, doors, ceilings and walls can account for up to 50% of heating costs. Weatherization of homes, including caulking, weatherstripping windows and doors, installing wall and ceiling insulation and setting back the thermostat can reduce energy consumption by approximately 75% per year. Energy use for heating water can be reduced approximately 35% with insulation of the water heater and a thermostat setback from 140° F to 120° F.<sup>3</sup>

The key to an effective energy conservation system is to assure that the construction and amortization costs of the energy conserving devices/techniques do not outweigh anticipated energy costs, and do not make housing significantly less affordable. There are several cost-effective government and utility conservation programs in operation for the residential sector. These include:

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1 Local Energy Planning Handbook, California Energy Commission, November 1981

2 1980 U.S. Census data

3 Local Energy Planning Handbook





1. State and federal tax credits which permit the cost of energy conservation and some solar installations to be deducted from a homeowner's tax liability.
2. The Residential Conservation Service (RCS) program which requires major utilities to provide free energy audits for residential buildings and to assist with arranging for installation and financing of measures.
3. Utility financing programs which provide low or no interest loans for homeowners who install conservation and solar equipment and offer rebates for the installation of solar collectors.
4. State residential building standards which establish energy performance criteria for new residential buildings (Title 24 of the California Administrative Code, effective July, 1982).
5. State and federal appliance standards which require manufacturers to produce and sell energy consuming appliances according to specified performance criteria.<sup>1</sup>

The City can play an important role in creating more energy efficient residences in Brisbane. The community as well as the residents will benefit. Under current conditions, i.e., dependence on conventional outside energy resources, a large portion of consumers' energy payments go to distributors, suppliers, producers and processors of oil and gas. With any major increase in conservation-related activities, the community will see lower utility bills, an inflow of dollars to local customers from federal and state tax credits and a stimulation of local jobs, revenues and income from local firms which provide energy conservation services and materials.<sup>2</sup>

New residential construction in Brisbane must abide by the new energy conservation standards (Title 24). The City's zoning ordinance (Article 6, Section 6.14) encourages the use of solar energy systems. The subdivision ordinance (Article 6, Section 6.3) requires that subdivisions be designed, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision. Additional conservation opportunities available to local governments are discussed in detail in the Local Energy Planning Handbook, published by the California Energy Commission.

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1 Local Energy Planning Handbook

2 Ibid



## VII. MEETING HOUSING NEEDS

The Housing Element must include an "action program" defining what the City is doing or intends to do to implement the policies and achieve the goals and objectives of the Housing Element. State law requires a five year schedule of actions which:

1. Identifies adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing and mobile homes, in order to meet the community's housing goals.
2. Assists in the development of adequate housing to meet the needs of low and moderate income households.
3. Addresses and, where appropriate and legally possible, removes governmental constraints to the maintenance, improvement and development of housing.
4. Conserves and improves the condition of the existing affordable housing stock.
5. Promotes housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color.

There is a broad array of possible housing actions and programs that the City may undertake to achieve its housing goals. Some involve utilization of federal and state housing financing and subsidy programs. Others rely upon local powers to consent to or create affordable housing through code enforcement, zoning, development review process, etc. Actions and programs relevant to implementation of Brisbane's housing goals and policies are discussed below.

### I. Identification of Adequate Sites

The previous section (Lands Suitable for Residential Development) identifies suitable sites for residential development to meet the community's housing goals.



## 2. Assisting in the Development of Affordable Housing

### 2.1 Inclusionary Zoning

Through a regulatory process known as "inclusionary zoning" the City may require that a percentage of new housing units be affordable to low and/or moderate income households. Inclusionary zoning usually applies to projects where several units are being developed. The process can also be used to produce needed rental units. The City could facilitate the development of needed rentals by requiring that new housing projects include a mix of owner-occupied and rental units and/or by giving density bonuses to rental developments.

### 2.2 Transferable Development Rights

Under TDR programs, the right to develop one's land is severed from the land, leaving the original owner with all other rights of ownership. The right to development is transferred to another property within a designated area where this additional right enables development at a faster pace or at a higher density than existing ordinances permit. A TDR program may be implemented to preserve open space, environmentally significant lands, or farmland. Implementation of TDR systems can also provide economic incentives to build affordable housing and can be a key component of a comprehensive growth management plan.

A variety of means for the transfer of development rights exist. These include reliance on the private market wherein voluntary transfers among property owners take place with little or no government intervention, intervention by a public agency which may act as a "bank" with powers to buy and sell TDRs, or a combination of these elements.

In a private market, the value of the TDRs is established between buyer and seller based on supply and demand conditions. Alternatively, a TDR bank can set a trading floor below which the values cannot drop. Or by controlling the number of TDRs available, the bank can exert a strong potential influence on the ceiling of the market price. Restriction of the TDR program to only one land use category helps hold the market value of the TDRs steady. The more kinds of TDRs that are





possible, the more likely that prices will fluctuate, thereby jeopardizing the goal of equitably compensating owners for restrictions to their lands.

Local governments use several methods to help ensure adequate demand for TDRs, (the critical element in the success of any TDR program) including operating a TDR bank, enlarging the transfer area, downzoning the transfer area, and providing substantial increases in density maximums or permissible rates of growth in the transfer area.

TDRs are usually measured in dwelling units, square footage of floor area per acre or other areal units. A measure of property value also may be used. The way TDRs are measured will affect the resulting development. Measuring TDRs in dwelling units will tend to produce more expensive units while a square footage measurement will tend to produce as many smaller units as possible in order to recover the cost of the TDRs.

### 2.3 Density Bonus

A density bonus would allow more units to be built on a site than would otherwise be allowed by zoning, provided a percentage of the units are affordable to low or moderate income households. The same principle can apply to the provision of rental units. By State law, a local government must grant a density bonus or other development incentive of equivalent economic value to developers who agree to set aside at least 25% of the total units for persons of low or moderate incomes, or at least 10% for lower income households. A density bonus would permit up to 25% more units and only pertains to projects of 5 or more units. For example, zoning on a one acre site allows a maximum of 14 units. With a density bonus of 25% (4 units, rounded up from 3.5), a total of 18 units would be permitted provided at least 4 of them are affordable to low or moderate income households. Assurances in the form of restrictions in grant deeds, rental agreements, or lease agreements must accompany the development permit to assure that the units remain affordable to future low and moderate income households.





## 2.4 "No Frills" Units

As household sizes continue to decrease and the elderly population increases, there will be a growing need for more affordable studio and one-bedroom units. Small, "no frills" units are less expensive to construct, heat and maintain and therefore more affordable to the buyers and renters. The City can encourage development of small, basic units by offering density bonuses and by requiring fewer on-site amenities (see below, Development Standards). For example, housing designed for the elderly or handicapped need not provide as much garage or parking space as is normally required since elderly residents statistically have fewer cars. Features such as recreational facilities, elaborate landscaping, built in appliances, and non-essential resident services can be eliminated to reduce housing costs. Construction of small units can allow greater densities while not significantly increasing the overall building coverage or jeopardizing community character.

## 2.5 Public/Community Developed Housing

The most direct form of housing assistance that a community can undertake is to develop, own and operate housing for low and moderate income persons. Due to much publicized blighted housing projects and the real estate industry's opposition to government housing, public low cost housing has received a bad name. As a result, Article 34 of the State Constitution prohibits a city from constructing housing projects without a majority vote of the local electorate.

## 2.6 Cooperative Housing

Community or resident cooperatives are sometimes formed to create affordable housing. Community Development Corporation (CDC's), non-profit making corporations directed by local residents, can construct housing as a joint venture between the city and the private sector. Projects in Palo Alto and Santa Barbara have been constructed through a Community Development Corporation using CDBG, Section 366 and CHFA funds.

A housing co-op can be formed by a group of tenants who decide to pool their capital to buy their buildings or group of homes. Members purchase shares in the co-op (a non-profit corporation) and receive a proportionate share or proportional



dividends. In a limited equity co-op, shares have limited value appreciation in order to keep shares affordable to low and moderate income persons. Members receive the benefits of home ownership, and can control the management of the housing.

The State Cooperative Housing Assistance office assists local governments and private groups with all aspects of cooperative housing development including project feasibility in financing, organization, legal issues, management and board training.

## 2.7 Municipal Bonds:

The City can issue municipal bonds to help create affordable housing opportunities by financing mortgages, establishing a revolving loan fund (below market rate loans to developments of affordable housing and lower income households), or to finance any other kind of housing assistance program. Assessment district bonds also can be used to finance municipal improvements such as streets and service systems.

## 2.8 Use of Surplus Lands/Landbanking

Occasionally lands owned by Federal, State, County, City or special district (schools, other city services) governments become available for purchase at below market cost. The site may either be vacant or its use may be obsolete, such as a closed school or an abandoned service facility. The City may be able to purchase the site and offer it to developers at below market cost in exchange for assurances to provide affordable housing.

The State Surplus Lands Program reviews Federal, State and local government land inventories and announcements for sites which have low and moderate income housing development potential. Local governments and developers are notified of available sites and assisted with site acquisition and development planning.



## 2.9 Participation in State and Federal Housing Development Assistance Programs

### 2.9.1 State Community Development Block Grant Program

Community Development Block Grant (CDBG) funds are available from the Federal Department of Housing and Urban Development (HUD) to develop "viable urban communities by providing decent housing and suitable living environments and expanding economic opportunities, principally for persons of low and moderate income." Funds can be used to acquire land or improve sites for the development of affordable housing.

The CDBG program is administered by the State Department of Housing and Community Development. Each year cities and counties may compete for a share of the available funds (approximately \$27 million for 1984).<sup>1</sup> Loan requests must include development plans for a specific site. The rehabilitation of Brisbane's Solano child care center and park received approximately \$86,000 in CDBG funds.

### 2.9.2 State Rental Housing Construction Program

The Rental Housing Construction Program provides funds, through local agencies or the California Housing Finance Agency (CHFA) for the development of new rental units by private, non-profit or public agency sponsors. Not less than 30 percent of the units in each rental development assisted under the program are to be made available to low and very low income households. The remaining units may be made available to moderate income market rate households.

### 2.9.3 State Rural and Urban Predevelopment Loan Funds

This program provides low interest loans (currently at 7 percent) to local governmental agencies, non-profit organizations and cooperative housing corporations for the preliminary costs of developing housing for low income families and elderly or handicapped persons. Authorized costs include site acquisition and preparation, architectural, engineering, legal, permit and application fees, and

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<sup>1</sup> State HCD, Division of Community Affairs





bonding expenses. Loans are not available for construction financing or administrative costs.

## 2.10 Technical Assistance/Advisory Services

### 2.10.1 Construction Technical Assistance Office

This statewide technical assistance program provides a variety of technical and research assistance to local governmental agencies, private organizations, and individuals in the fields of housing development, housing management, finance, rental and homeownership assistance, and community development.

### 2.10.2 Housing Development Technical Assistance

This program was designed to work in conjunction with the Housing Predevelopment Loan Funds.

### 2.10.3 California Housing Advisory Service (CHAS)

CHAS provides grants to local government agencies and community organizations to establish local housing advisory services that assist individuals and groups with the self-help construction or rehabilitation of housing.

### 2.10.4 Technical Assistance for Mobilehome Park Conversions

Technical assistance is available to residents of mobilehome parks who wish to cooperatively purchase the parks in which they live. Priority will be given to assisting low and moderate income households.

## 2.11 Home Ownership Assistance

### 2.11.1 Homeownership Assistance Program

This program provides up to 49 percent of the purchase price of a dwelling unit in the form of mortgage participation with an institutional lender, to enable eligible households to purchase housing which they would otherwise be unable to acquire.



Upon sale of the unit, the State will share in the sales proceeds in an amount proportionate to its original investment. HCD may assist renters to purchase their units who otherwise would be displaced by condominium conversions, mobilehome park residents to purchase their spaces if the park is to be converted to a cooperative, households to purchase a mobilehome placed on permanent foundations, and stock cooperatives or non-profit corporations to develop or purchase mobilehome parks.

### 2.11.2 Reduced Mortgage Assistance

San Mateo County offers below market rate home mortgages to qualified first-time homebuyers for purchasing units built by developers who participate in the program. By coordinating with San Mateo County Housing Authority and/or private developers eligible for Federal mortgage subsidy programs, the City could further facilitate the construction of low and moderate income housing.

### 2.11.3 Home Equity Conversion

The San Mateo County Legal Aid Society and Department of Housing and Community Development cooperatively established the Reverse Annuity Mortgage Program (RAM) to enable elderly homeowners to use the equity on their home for needed money. Participants can obtain a loan which is dispersed on a monthly basis as needed for a fixed period, when the loan is due. To qualify, loan recipients must be 62 years or older, must own their dwelling, and have little or no mortgage balance, modest assets, and low or moderate income. Applicants should contact the County HCD.

## 2.12 Rental Assistance

### 2.12.1 Section 8 Subsidies

Rents for low and moderate income residents can be reduced through the Section 8 Rent Subsidy Program, funded by the U.S. Department of Housing and Urban Development. HUD pays the difference between what a lower income household can afford (no more than 25 percent of adjusted income) and the fair market rent for an apartment. Households which qualify as very low or low income,



disabled, or elderly (over 65 years) are eligible for rent subsidy. The maximum annual income per household to qualify for Section 8 assistance is:

1 person - \$11,050

2 persons - \$12,650

3 persons - \$14,002

4 persons - \$15,008

5 persons - \$17,050

### 2.13 Use of City Redevelopment Funds

As of fiscal year 1983-84, Brisbane has approximately \$26,000 in tax increment money available for assistance to low and moderate income housing. The money is administered by the City's Redevelopment Agency. By State law, 20 percent of the tax increment money generated by the City's Redevelopment Project Area Two must be used for low and moderate income housing. Without significant development, the amount contributed will increase by approximately 2 percent each year; once the project is completed and generating tax revenues, the rate will increase.

Several options are available for use of this money. These include:

- Subsidizing development of housing for elderly citizens or other lower income households; for example, redevelopment of the Old County Road motel/trailer park site.
- Purchasing land to lease or sell to a developer of affordable housing.
- Collaborating with on-going County programs (rehabilitation, neighborhood improvement programs, rent subsidy).
- Subsidizing privately developed housing by reducing interest rates on for-sale units or assisting in rental payments to make housing affordable to low or moderate income households.
- Assisting in rehabilitating substandard structures.
- Purchasing existing owner-occupied units and managing them as rentals.

### 3. Removing Governmental Constraints

Many of the City's current practices and ordinances encourage rather than constrain the maintenance, improvement and development of affordable housing.





The structural requirements for conversion of rental units to condominiums virtually preclude any conversions: few if any rentals satisfy the size and structural requirements for conversion. There have been no recent conversions.

### 3.1 Second Units

Brisbane's zoning ordinance allows the addition of a "secondary dwelling unit" to a single family lot as a means of providing small, affordable housing. The ordinance limits the size of the secondary unit and defines conditions of development, including requirements for adequate on-site parking and traffic circulation. These requirements are intended to protect the low density neighborhood character and to assure adequate access to the site. A secondary unit could be added to an existing primary unit or a new combination of primary and secondary units could be designed and developed on a vacant site.

### 3.2 Mixed Uses

Brisbane's zoning ordinance permits residential uses as a secondary use above or behind a commercial use in the C-2 Retail Business District. Single family residences are permitted on sites of 10,000 square feet or more in the H-1 Highway Commercial District. These regulations provide opportunities for affordable housing in close proximity to shopping, services, and transit.

### 3.3 Mobile Homes

Brisbane's zoning ordinance treats mobile homes as single family homes, permitting them in all residential zones, and in the Retail Business and Highway Commercial Districts. The ordinance complies with Government Code Section 65823 which precludes regulating mobile homes any more restrictively than conventional single family dwellings.

Trailer parks, intended for occupancy by residential trailers but not recreational vehicles, are permitted as a conditional use in all residential zones. The City's subdivision ordinance offers protection to mobile home park occupants who are displaced as a result of conversion of the park to another use. The City may require





the mitigation of any adverse impact of such conversions on the ability of displaced mobile home residents to find adequate space in a mobile home park.

#### 4. Conserving and Improving Affordable Housing

Various programs and funds are available to aid homeowners in rehabilitating their homes and rental units. These are:

##### 4.1 San Mateo County Housing Rehabilitation Program

The County Board of Supervisors administers Community Development Block Grant funds from HUD's Housing Rehabilitation Program for housing rehabilitation. The program is targeted for households that earn less than 80 percent of the County median income. Assistance is also available for those earning not more than 120 percent of the County median income. Individuals can apply to the County for low interest or deferred payment loans for home improvements and repairs. The interest rate varies from 5 to 8 percent, based on the participant's income and ability to pay. The County HCD staff will meet with the applicant to determine which of several programs best suits their needs, will inspect the dwelling to estimate rehabilitation costs, and will assist in selecting a contractor and final inspection of the project.

The County also offers rehabilitation assistance to single use commercial structures and mixed residential commercial uses. A fund pool of \$325,000 is available for loans at below market rate interest (currently 11.58 percent).

Each year County rehabilitation funds are equitably allocated to each participating jurisdiction. If not used in that area, funds are distributed county wide on a first come first serve basis. The City could facilitate greater participation in the program by advertising and by encouraging participation.

##### 4.2 State Rehabilitation Assistance Program

The state administers several rehabilitation programs to assist lower income householders. These include:



4.2.1 The Deferred Payment Rehabilitation Loan Program, which provides funds for deferred payment loans to rehabilitate housing occupied by low and moderate income homeowners and renters.

4.2.2 The Special User Housing Rehabilitation Program, which provides deferred payment loans for acquisition and/or rehabilitation of rental housing for low income persons. The program has two components: one to subsidize acquisition or rehabilitation of apartments and group homes for the elderly and handicapped, and the second to help preserve residential hotels.

4.2.3 Rehabilitation Local Government Assistance Program, which offers technical assistance or training services for cities, counties and nonprofit corporations that operate or plan housing rehabilitation.

4.2.4 California Housing Finance Agency Homeownership and Multi-Loan Programs, which work with private lenders to finance construction or substantial rehabilitation of lower income multi-family projects.

4.2.5 State Seismic Safety Rehabilitation Loan Program

Some buildings built prior to the adoption of the Uniform Building Code are constructed with unreinforced masonry, are subject to seismic hazards, and thus are considered substandard. Section 19161 of the State Health and Safety Code (effective January 1, 1983) establishes the Seismic Safety Rehabilitation Loan Program, which authorizes cities and counties to provide money through the sale of bonds for structural rehabilitation of seismically hazardous residential and commercial buildings. This program can help Brisbane and its residents relieve some of the structural hazards of older homes.

#### 4.3 Energy Conservation

Energy conservation should be a priority in city housing rehabilitation efforts as well as in new housing development. Weatherization of older residences can reduce heating and cooling costs considerably. Utility companies offer zero and low interest loan programs to insulate homes and to install other energy conservation measures. The City can take an active role in energy conservation by helping to



make residents aware of energy saving techniques and low interest energy loan programs and by adopting solar design guidelines for new development. The following are recommended as energy conservation measures:

1. Active participation in developing the Residential Conservation Service (RCS) program.
2. Requiring installation of energy conservation measures at the time of sale of all residential buildings.
3. Adopting a solar access ordinance, under the Solar Rights Act and the Solar Shade Control Act, to maximize the rights of existing and prospective solar energy system owners by requiring the dedication of solar access easements.
4. Establishing land use policies and regulations to reduce conventional energy consumption; for example, encouraging construction of multi-family attached dwellings, rather than single family detached units; developing street design standards for new development that limit the street widths and require planting of deciduous trees, and encouraging reduction in long commutes and maximum use of mass transit by making sure that new housing has adequate access to transit facilities.
5. Setting up a public education program to provide information on energy issues and conservation to the community.

The North Peninsula Neighborhood Service Center performs home insulation and minor repair services through the PG&E Zero Interest program (ZIP).

## 5. Promoting Housing Opportunities for All Persons

The City can help assure that persons of any race, religion, sex, marital status, ancestry, national origin and color receive equal opportunities for housing in Brisbane by conforming to applicable State and Federal anti-discrimination and resident protection laws.

### 5.1 Tenant Protections

State law requires landlords to provide written notice to tenants prior to the landlord's termination of their tenancy. For an extended lease (renting for a definite term) the tenant may stay in the residence for the specified period of time, and the rent cannot be raised during the time unless the lease states otherwise. For a





month-to-month rental agreement (renting for no definite period of time), the landlord must give a tenant a 30 day written notice to vacate the premises. The landlord does not have to state a reason (Section 1946 of California Civil Code). In addition, a landlord can raise the rent any amount, as long as written notice is given. The notice period must be at least as long as the period between rental payments (e.g., for month-to-month tenancy, the notice cannot be less than 30 days according to Section 827 of the California Civil Code).

## 5.2 Anti-Discrimination Legislation

Federal and State Housing laws prohibit discrimination based on race, color, religion, national origin or sex. In addition, California law prohibits discrimination based on marital status, physical handicap or the presence of children in a family.



## VIII. GOALS, POLICIES AND IMPLEMENTATION

The following are the City's goals, objectives and policies relative to the maintenance, improvement and development of housing. Quantified objectives are set forth whenever possible. In addition, a program to implement the policies and achieve the goals and objectives is set forth under the "Implementation" headings. Further discussion of these and other features of the program are described in Section VII, above. All of the actions described in the following pages are scheduled for implementation during the next five years.

These goals, policies, programs and objectives are hereby adopted by the City with respect to all future development proposals and, to the full extent permitted by law, shall apply to all presently proposed projects for which no building permit has been issued.

### A. Existing Housing

**Goal** - To improve and conserve existing housing and existing residential neighborhoods.

**Policy 1:** Protect the character of existing residential neighborhoods.

**Implementation 1-A:** Seek Community Development Block Grant (CDBG) funds to maintain and upgrade public facilities (streets, water, storm drainage and sewer lines, parks, etc.) in residential neighborhoods where needed. Annually review the City's needs for improvements and the availability of funding. Develop a capital improvement program and maintenance budget.

**Objective:** Safe, clean residential neighborhoods.

**Time Frame:** On-going. Annual review and schedule.

**Responsible Party:** Planning Department, Public Works Department, City Manager.

**Funding Source:** CDBG.

**Policy 2:** Maintain single family and mixed character while providing opportunities for a balance of housing types and prices.



**Implementation 2-A:** Use zoning to assure that land uses, densities, and development conditions are compatible with existing residential uses and promote affordable housing opportunities.

**Objective:** Provision of affordable housing compatible with existing uses.

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** City funds, rezoning application fees.

**Policy 3:** Promote rehabilitation of substandard or degraded residential structures while maintaining their affordability to lower and moderate income households.

**Implementation 3-A:** Establish a Code Enforcement program which could include a review of residential structures to see if they meet safe and sanitary standards. Emphasize those structures identified as substandard or in code violation, and vacated for-sale or for-rent structures.

**Objective:** Correction of all substandard conditions (147 units).

**Time Frame:** On-going.

**Responsible Party:** Planning, Public Works and Public Safety.

**Funding Source:** City funds, state HCD programs.

**Implementation 3-B:** Encourage property owners to upgrade kitchen and plumbing facilities to meet safety standards.

**Objective:** Provision of adequate facilities in 60 units.

**Time Frame:** 1990.

**Responsible Party:** Planning Department, Public Works Department.

**Funding Source:** Property owners, County and State rehabilitation assistance programs.

**Implementation 3-C:** Encourage the use of County, State and Federal programs for low interest rehabilitation loans. Inform code violators and advertise to City residents (through newspaper, real estate offices, public offices) the availability of rehabilitation assistance. Work with the San Mateo County Housing Rehabilitation Program to develop a promotional strategy. Seek available State and Federal funding.

**Objective:** Rehabilitation of 147 residential units (same as Implementation 3-A).

**Time Frame:** 1990.



**Responsible Party:** Planning Department, Public Works Department.

**Funding Source:** San Mateo County Housing Rehabilitation Program, Brisbane Redevelopment tax increment funds, State and Federal Rehabilitation Assistance programs.

**Implementation 3-D:** Develop a displacement program to ensure interim housing or adequate compensation for persons displaced as a result of major rehabilitation.

**Objective:** Assistance to displaced residents.

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** City funds, potential contributions from property owners.

**Implementation 3-F:** Seek available funds to develop a preventative maintenance assistance program for persons unable to maintain their property.

**Objective:** Formation of maintenance assistance program.

**Time Frame:** Seek funding by June 1985

**Responsible Party:** Planning Department.

**Funding Source:** Community Development Block Grant funds, State rehabilitation assistance programs.

## B. Future Housing Needs

**Goal:** To provide a decent home and a clean, safe environment for all residents of Brisbane regardless of age, race, sex, marital status, ethnic background, income or other arbitrary factors.

**Goal:** To provide a variety of housing types, sizes, prices, and tenure in suitable locations to meet but not to exceed the City's present and projected housing needs, particularly for low and moderate income and special needs households.

**Goal:** To locate new housing within the existing urbanized areas and to prohibit or substantially mitigate new housing in environmentally and visually sensitive areas.

**Goal:** To stage the rate of growth in order to avoid the impacts of rapid boom-town development.

**Goal:** To ensure that new residential development is consistent with the existing character of Brisbane in terms of style, density, price, tenancy, size and type of units.





**Policy 4:** Stage the annual rate of growth according to the fiscal, social, and environmental capacities of the City and mitigate the impact of new development.

**Implementation 4-A:** Implement an annual growth staging system that regulates the rate and location of growth according to the City's capacity for growth, utilizing standards for the City's social, physical, environmental and fiscal conditions, and establish an allowable level of growth that does not exceed these standards. Annual allotments should be allocated on either a merit or random lottery basis. The annual allotment should be balanced among a variety of areas, ownerships, and housing-types in order to allocate a fair-share of the City's growth potential to a broad range of housing needs. The growth staging system should include provisions for prioritizing areas for development and channeling growth to those areas. Allowance should be made for the utilization of several years' allotments in a single year in order to accommodate the economic need to grow in increments that are large enough to support the minimum fixed-costs for infrastructure. This would be done by utilizing the allotment for several years during a single year, providing that the average annual growth does not exceed the annual allotment over any 10 year planning period. Notwithstanding this adjustment, the annual and total amount of growth should not cause any social, fiscal or environmental standards to be exceeded. Since the annual allotment of growth is based on the projected impacts per unit of new housing, developers who wish to exceed the annual allotment should be permitted to do so only where it can be shown that each unit of their project will cause less impact than projected for the typical new unit. This may be accomplished by a reduction in density, change in design, or other actions that minimize impact. The 2% growth rate is a base rate that may be exceeded when it can be shown that a higher rate will not cause unacceptable social, fiscal, or environmental impacts. The base rate is not established in order to eliminate the possibility for a faster pace of development. It only specifies the rate of growth that is possible under existing fiscal, social and environmental conditions under normal levels of mitigation. A faster pace would be possible and acceptable so long as it would not inhibit the achievement of other City goals, policies and objectives. In this case the annual allotment may be adjusted as long as the social, fiscal and environmental impacts of the project do not cause those standards to be exceeded which served as the basis for determining the annual allotment. Where projects meet this requirement, the following additional criteria also should be met before an override of the annual allotment may be given:



1. The project should utilize every practicable means of avoiding environmental, social, or fiscal impacts.
2. The project should serve to maintain the existing character of the City.
3. The project should allow for generous, rapid, and orderly implementation of mitigation measures.

These criteria should be made specific in implementing ordinances.

The annual rate may be exceeded if a landowner purchases and retires the development rights of undevelopable lands pursuant to a system of transferable development rights. (See Policy 6, below.) The City may permit a faster rate of growth in a given year as a bonus or incentive for improved project design and/or the provision of certain types of units that otherwise would not be constructed by the private market. The distribution of growth across the range of housing needs, set forth above in Table 23, may be adjusted where it is economically, physically or environmentally impossible to achieve those objectives or where an alternative distribution is preferable for the achievement of other City goals. The objectives for multi- and single-family units may be adjusted only where design innovations permit the basic goals for family living to be achieved in multi-family type housing.

If the annual allotment is not utilized in any given year, the allotment should not be carried over for use in following years. This permits the fiscal resources that would have been used to be utilized to meet other public needs.

The annual rate of growth is dependent on several important factors. These factors include the regional and local need for housing and various social, fiscal, environmental, and physical factors that act as bottlenecks by constraining the rate of growth that can occur without exceeding fiscal, environmental or social standards. The appropriate rate of growth for the City is discussed under Growth Staging in Section IV. A growth staging ordinance should be implemented that incorporates the rates and distribution of growth discussed under that heading as well as methods for their adjustment. Such adjustments should be made by the City Council after a duly noticed public hearing and after referring any proposed adjustments to the Planning Commission for its recommendations which the Commission shall formulate after a duly noticed public hearing.



**Objective:** Growth management (See Table 24)

**Time Frame:** On-going

**Responsible Party:** City Planning Department

**Funding Source:** City funds.

**Implementation 4-B:** Implement a system of impact fees that charges developers for the social and environmental costs of development. The charges should be based on the true cost of mitigating the fiscal, social and environmental impacts of development. The fees should be adjusted for contributions otherwise made toward the elimination of impacts. For facilities that are developed to offset the impacts of several developments, such as freeway and transit facilities, future developments that benefit from the development of these facilities should pay a fee in proportion to the demand on the facilities attributable to the development. Adjust the fees for developments smaller than 10 units. Allow the fees to be adjusted or lowered if a developer can design a project that causes less impact per unit than assumed by the impact fee system.

**Objective:** Equitably allocate the costs of new development

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** City funds.

**Policy 5:** Prohibit or regulate the development of environmentally sensitive and hazardous lands.

**Implementation 5-A:** Amend the zoning ordinance to include overlay zones that regulate development in environmentally sensitive or hazardous areas. Prohibit or regulate development whenever it will degrade environmentally sensitive areas or subject residents to safety hazards. Develop a map of environmentally sensitive areas and develop appropriate measures and standards to achieve the policy. Areas that should be considered include, but are not be limited to, wetlands, riparian habitat, critical wildlife habitat, geologically hazardous areas, areas subject to flooding, visually prominent or sensitive areas, and electric transmission line corridors.

**Objective:** Nondegradation of the environment and protection of public health and safety.

**Time Frame:** On-going







**Responsible Party:** Planning Department.

**Funding Source:** City funds.

**Policy 6:** Consider utilizing property value windfalls from development permission to compensate those who own property that is not suitable for development.

**Implementation 6-A:** Study and, where feasible, implement a system of Transferable Development Rights (TDR's) for compensating those subject to development prohibitions and achieving other housing policies. Consider utilizing the system to compensate owners of lots that may not be developed. Encourage the conservation of open space by permitting the purchase and retirement of development rights on undevelopable land as a means of overriding the annual growth staging system. A developer may be permitted to exceed the annual allotment for growth if he purchases an environmentally sensitive lot and dedicates it as a permanent open-space. The number of units that the developer could gain as a result should be determined according to the environmental significance and economic cost of the retired site. In order to be effective the price for the site(s) to be retired should not exceed the value of the additional units that may be developed as a result of the transfer. The number of units that may be built as a result of a density transfer should reflect this constraint.

**Policy 7:** Strive to attain and maintain a balance of housing types (single and multi-family units, mobile homes), sizes (number of bedrooms), tenure (owner-occupied and rentals) and affordability to all income levels.

**Implementation 7-A:** Designate on the General Plan Map and rezone suitable sites for the development of single, multi-family and mobile homes to address the existing and projected housing needs.

**Objective:** Designation/zoning of land to facilitate construction of adequate housing to meet the projected range of housing needs by 1990.

**Time Frame:** Re-designate land in 1985 update of General Plan; rezone prior to development.

**Responsible Party:** Planning Department.

**Funding Source:** City funds, re-zoning application fees.



**Implementation 7-B:** Allocate the annual growth allotment to a broad range of housing types, sizes, tenure, and affordability in order to ensure a fair share of growth capacity is reserved for a broad range of housing needs. The annual allotments shall be divided among these categories in the same proportions that each category represents of the total City needs (See Table 23). The distribution of growth, set forth above in Table 23, also may be adjusted where it is economically, physically or environmentally impossible to achieve those objectives or where an alternative distribution is preferable for the achievement of other City goals. However, the objectives for multi- and single-family units only may be adjusted where design innovations permit the basic goals for family living to be achieved in multi-family type housing.

**Objective:** Consistency with the distribution of housing needs by type, price, tenure, and size.

**Time Frame:** On-going.

**Responsible Party:** Planning Department

**Funding Source:** City funds.

**Policy 8:** Promote equal housing opportunities for all Brisbane residents.

**Implementation 8-A:** Inform the community of equal housing laws resource opportunities through informational handouts made available at public offices, real estate offices, and in newspaper.

**Objective:** Public awareness.

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** City funds.

**Policy 9:** Where feasible, require that a portion of all new developments of ten or more housing units be affordable to low and moderate income households . Also, where feasible, require that a portion of the new units be rental units.

**Implementation 9-A:** Where feasible, adopt an inclusionary zoning ordinance requiring that 15% of all new housing units in projects of ten or more units be affordable to households of low and moderate incomes. The ordinance also should require the inclusion of rental units and a higher percentage of affordable units where feasible. The determination of what percentage of rental and affordable units will be required should be based on a feasibility study undertaken prior to the



approval of any development permits or subdivision approvals, or the approval of any subsequent development permits or subdivision approvals for projects that have already received some of their required permits or subdivision approvals. The study should consider all possible means of making feasible the development of rental and affordable units, including but not limited to density or pace bonuses that would not inhibit the achievement of other City goals, tax-exempt financing, profit/non-profit partnerships and other possible methods. Incentives and bonuses should not be used if they would cause significant adverse impacts on the community. Mechanisms should be included in the ordinance to assure the continued affordability of rents and mortgage payments, the retention of rental units as rental units, and that subsequent buyers and renters continue to qualify as low and moderate income households. The City should contact County, State and Federal housing assistance programs to seek information regarding the availability of financial aid for construction, payment subsidies and technical advisory services to help establish the administrative program.

**Objective:** Construction of approximately 40 units affordable to low and moderate income households.

**Time Frame:** By 1990; to be constructed coincidently with market rate units.

**Responsible Party:** Planning Department, with possible County, State and Federal staff assistance.

**Funding Source:** City Redevelopment funds, Community Development Block Grant funds.

**Policy 10:** Encourage utilization of a density bonus to provide needed housing, particularly rentals, affordable to low and moderate income households.

**Implementation 10-A:** When a developer of housing agrees to construct at least (1) 25 percent of the total units of a housing development for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, or, (2) 10 percent of the total units of a housing development for lower-income households, as defined in Section 50079.5 of the Health and Safety Code, or, (3) 50 percent of the total dwelling units of a housing development for qualifying residents, as defined in Section 51.2 of the Civil Code, the City will either (1) grant a density bonus or (2) provide other incentives of equivalent financial value.





A developer should submit to the Planning Department a preliminary proposal for the development of housing pursuant to this program prior to the submittal of any formal requests for general plan amendments, zoning amendments, or subdivision map approvals. The Planning Director should, within 90 days of receipt of a written proposal, notify the housing developer in writing of the manner in which it will comply with this program. The City should establish procedures for carrying out this program, which should include legislative body approval of the means of compliance. A development for which a tentative map has already been approved should not be eligible for this bonus unless the tentative map is amended to reflect the added density and any revisions to the map that would be caused by meeting the requirements of this program, including but not limited to additional conditions to offset the impacts caused by the added densities.

For the purposes of this program, "density bonus" means a density increase of at least 25 percent of the otherwise maximum allowable residential density under the applicable zoning ordinance and land use element of the general plan. The density bonus shall not be included when determining the number of housing units which is equal to 10 or 25 percent of the total. The density bonus should apply to housing developments consisting of five or more dwelling units.

If a developer agrees to construct both 25 percent of the total units for persons and families of low or moderate income and 10 percent of the total units for lower-income households, the developer is entitled to only one density bonus under this program.

**Objective:** Construction of 77 units affordable to lower income households or 106 units affordable to low and moderate income households.

**Time Frame:** By 1990; concurrent with market rate construction.

**Responsible Party:** Planning Department, private developers, with possible assistance (primarily technical/advisory services) from County, State or Federal programs.

**Funding Source:** City funds, private financing of construction.

**Policy II:** Require that new housing is consistent with the existing character and design of Brisbane.





**Implementation 11-A:** Develop design standards that shall apply to new housing. Insofar as possible, future development should be consistent with the current circulation pattern, lot lay-out, architectural style, density, and general flavor of existing Brisbane. Multi-family units should be designed to give the appearance of detached single family-style housing wherever possible and feasible.

**Objective:** Develop and implement design standards.

**Time Frame:** Ongoing.

**Responsible Party:** Planning Department

**Funding Source:** City funds and design permit fees.

**Policy 12:** Utilize available private and public funding sources to achieve affordable housing.

**Implementation 12-A:** Encourage tenants and housing developers to participate in the San Mateo County Housing Authority Section 8 rent subsidy program. Encourage developers and potential homebuyers to participate in the County's reduced home mortgage program and in the State and Federal homeownership assistance programs.

**Objective:** Relief of conditions of overpayment among very low income households: creation of 65 opportunities for low and moderate income households to purchase a residence.

**Time Frame:** 1990.

**Responsible Party:** Planning Department

**Funding Source:** San Mateo County Housing Authority; State and Federal Housing Assistance programs.

**Implementation 12-B:** Study alternative uses of the City's Redevelopment tax increment money for use in providing or improving housing for low and moderate income persons. Consider:

- a. Purchasing land to sell or lease to developers.
- b. Subsidizing the development or financing of affordable housing.
- c. Collaborating with the County rehabilitation program or other existing programs.

**Objective:** To facilitate accomplishment of affordable housing opportunities for persons of lower and moderate incomes.

**Time Frame:** On-going.

**Responsible Party:** Planning Department, City Manager's Office.



**Funding Source:** City Redevelopment tax increment funds.

**C. Special Needs Households**

**Goal:** To provide adequate housing for the City's and region's special needs households, including but not limited to the elderly, the handicapped, large households, single-parent households, and ethnic minorities.

**Policy 13:** Encourage affordable housing specifically designed for the elderly, handicapped, and other special needs.

**Implementation 13-A:** Designate a portion of the motel/trailer park site at Old County Road as suitable for housing for the elderly.

**Objective:** Provision of up to 32 units for elderly persons.

**Time Frame:** Designate land use in 1985 General Plan update. Construction of units by 1990.

**Responsible Party:** City, coordinated with appropriate local, State or Federal housing assistance programs.

**Funding Source:** City Redevelopment funds, State or Federal programs.

**Implementation 13-B:** In housing projects of 50 or more units, encourage provision of at least 5% of the units for handicapped persons.

**Objective:** Construction of up to 30 units designed for handicapped persons.

**Time Frame:** By 1990.

**Responsible Party:** Planning Department.

**Funding Source:** Private developers.

**Implementation 13-C:** Review zoning ordinances to consider relaxing development regulations to encourage housing for the elderly and the handicapped.

**Objective:** To encourage reduced housing construction costs.

**Time Frame:** 1985-86.

**Responsible Party:** Planning Department.

**Funding Source:** City Funds.



**Implementation 13-D:** Continue to allow residential uses as a secondary use above or behind a commercial use in the retail commercial district. Encourage use of County, State and Federal rehabilitation funds.

**Objective:** To encourage construction and rehabilitation of small affordable units close to shopping and services.

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** Private property owners; San Mateo County Housing Rehabilitation Program for residential and commercial structures; State and Federal housing assistance/rehabilitation programs.

**Implementation 13-E:** Encourage formation of a Shared Housing Project to help find suitable housing for single parent families.

**Objective:** To adequately house single parent families.

**Time Frame:** On-going.

**Responsible Party:** Community organization (churches, social groups) real estate offices.

**Funding Source:** Participating local governments, available State assistance.

**Implementation 13-F:** Reserve a share of the annual allowable growth for special needs households proportional to their share of the total housing needs in the City. Include allotments for units for large families, the elderly, the handicapped, and low and moderate income families.

**Objective:** To adequately house special needs families.

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** City funds.

**Implementation 13-G:** Because there are no homeless presently in the City and because adequate services are available in nearby jurisdictions, the City shall refer any homeless in need of shelter to these facilities.

**Time Frame:** On-going.

**Responsible Party:** Planning and Public Safety Departments.

**Funding Source:** City funds.





#### D. Condominiums

**Goal:** To discourage condominium conversions where they would be detrimental to the City's ability to meet the full range of housing needs.

**Policy 14:** Discourage the conversion of existing apartment buildings to condominiums or co-ops unless it is demonstrated that such conversion would not impact the rental market.

**Implementation 14-A:** Uphold the current condominium ordinance standards for conversion of existing rental units. Assure the retention of new rentals as rental housing through conditions on development permits.

**Objective:** Retention of adequate rental opportunities to meet growing need. Maintain optimal vacancy rate (4.5%).

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** City funds, development application fees.

**Policy 15:** Consider the conversion of single-family units into duplex units and the addition of second units in areas and under conditions that would not present traffic and on-street parking problems.

**Implementation 15-A:** Uphold the current ordinance permitting secondary dwellings in single-family districts. Consider revising the R-I regulations to allow a secondary dwelling as a permitted use in certain areas.

**Objective:** To facilitate the addition of approximately 50 secondary dwelling units (rentals) affordable to very low and low income, elderly and small households.

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** City funds, development application fees.

**Goal:** To discourage the development of condominium style development that is inconsistent with the present density and character of the City.



**Policy 16:** Require all new condominium developments to be similar to the existing City character in terms of design, density, lot layout, range of prices, mix of tenure and size of units.

**Implementation 16-A:** Amend the City plans and implementing ordinances to provide standards for new condominium development that are consistent with the policy.

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** City funds.

#### E. Manufactured Housing

**Goal:** To permit the development of manufactured housing in order to provide affordable housing as long as the housing is consistent with the character and style of existing housing and meets minimum safety requirements.

**Policy 17:** Accomodate, and where appropriate, encourage the development of additional manufactured housing in the City.

**Implementation 17-A:** Continue the provisions in the zoning ordinance that allow manufactured housing as a permitted use and trailer parks as a conditional use in all residential zones.

**Objective:** To facilitate development of trailer court site(s) as rental and owner-occupied housing opportunities affordable to lower income households (30 units).

**Time Frame:** Revise ordinance: 1985

**Responsible Party:** Planning Department.

**Funding Source:** City funds, re-zoning application fees.

#### F. Energy Conservation

**Goal:** Reduce residential energy use to help reduce housing costs and to conserve energy resources.

**Policy 18:** Promote the use of energy conservation measures and the provision of solar access in new residential site design and construction.



**Implementation 18-A:** Implement Title 24 energy conservation requirements, in new planned residential developments, require structural and landscaping design to take advantage of natural heating and cooling.

**Objective:** Incorporation of energy conservation measures and solar access in all new residential development.

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** City funds.

**Policy 19:** Encourage energy conservation measures (primarily weatherization) in housing rehabilitation.

**Implementation 19-A:** Publicize energy conservation programs and weatherization services that provide at-cost or subsidized conservation inspections and corrective actions.

**Objective:** Community awareness and participation in energy conservation programs. Weatherization of 140 existing units (10% of total) by 1990.

**Time Frame:** On-going.

**Responsible Party:** Planning Department.

**Funding Source:** Energy conservation subsidies available through PG&E, North Peninsula Neighborhood Service Center and State and Federal Grants.

#### G. Removal of Governmental Constraints

**Goal:** Where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.

**Policy 20:** Distinguish between those governmental constraints which are necessary, even in the face of identified housing needs, for the protection of the public health, safety or welfare, and those which could be modified to lessen their negative effects on the provision of housing goods and services. Reduce or eliminate those constraints which are found to be unnecessary.

**Implementation 20-A:** Systematically evaluate the City codes as provided for in Policy 20. Develop and implement changes to the codes where appropriate.

**Objective:** Complete reviews and revisions of the Brisbane Municipal Code.



**Time Frame:** Complete by late 1986.

**Responsible Party:** Planning Department.

**Funding Source:** City funds.

**Implementation 20-B:** Implement the other policies and related implementation measures contained in this Element that seek to remove governmental constraints including policies 10, 13, 15, and 17, and their related implementation programs.

**Objective:** Remove governmental constraints where appropriate.

**Time Frame:** Complete by late 1986.

**Responsible Party:** Planning Department.

**Funding Source:** Departmental Budget.

H. Means for Achieving Consistency with Other General Plan Elements and Community Goals.

**Goal:** Ensure that this Element is consistent with other General Plan Elements and community goals.

**Policy 21:** The Elements of the City General Plan should be consistent with one another and should be consistent with the goals established in the General Plan.

**Implementation 21-A:** Initial review of this Housing Element in relation to other General Plan Elements indicates that this Element is consistent with those other Elements. However, a more detailed review should be undertaken in order to ensure consistency. Until such a review has been completed, and in the event that any inconsistency is found, the goals, policies, programs and objectives of this Element shall prevail. The amendment of the Land Use Element to include a growth staging program may be desirable in order to coordinate the staging of residential growth with other types of growth in the City.





## **APPENDIX I**

### **FISCAL IMPACT METHODOLOGY**





# BRISBANE

## MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Associate Planner, Lisa P. Newman  
and Planning Director, Gary E. Pivo

SUBJECT: Methodology for Determining the City's Fiscal  
Capacity for New Residential Development

DATE: 4-4-85

At your meeting of March 25, 1985, the Council requested staff to explain in greater detail how the City's fiscal capacity for growth was determined. In particular, it was suggested that the costs associated with commercial units be reflected in the analysis.

This memo will describe the methodology that was used, compare several possible approaches to determining the cost per residential unit and demonstrate how the selected cost per residential unit figure relates to the projected number of housing units that the City can serve over the next 10 years.

The basic methodology used to determine the City's fiscal capacity for residential development was to project the annual revenues available for supporting new residential development and to divide this amount by the average annual cost for servicing each new residential unit. The result gives the average annual number of residential units that can be supported by the City's fiscal base. This "average cost" method is by far the most commonly used technique for projecting the fiscal impacts of new development.(1)

The methodology will be explained step by step in the following sections:

### STEP 1: DETERMINE THE CITY'S ANNUAL URBAN SERVICE EXPENDITURES.

The first step in the method involved determining the City's annual expenditures for public services. This figure was then used in Step 2 to determine the average cost per residential unit. At this stage the total costs for all development in the City were identified. The costs were assigned to residential and non-residential units in the next step.

Figure 1 shows the Fiscal Year 1984/1985 General Fund appropriations by department. Appropriations can be used as a proxy for annual expenditures. This figure shows the real costs of running the City at its current levels of service. Any improvement in services were not projected and would only reduce the number of new units that could be supported. As noted in Figure 1, appropriations not directly related to urban services were deleted for the purposes of this analysis. Therefore, the total shown in Figure 1 (about \$2.5 million) is approximately



Figure 1

1984/1985 COSTS TO SERVE  
RESIDENTIAL AND COMMERCIAL UNITS IN BRISBANE

1984 GENERAL FUND	ANNUAL APPROPRIATION
City Council	\$ 34,840
City Manager	128,738
Finance	205,738
City Attorney (1)	45,600
City Planning	82,989
Library	20,720
Public Safety	1,457,845
Public Works	488,392
Recreation	142,281
Non-Departmental (2)	136,595
Subtotal	<u>\$2,743,738</u>
Subtract Enterprise Fund Personnel Costs (3)	259,450
TOTAL	<u>\$2,484,288</u>

NOTES:

(1) This represents the portion of the City Attorney's budget attributed to routine services.

(2) \$300,450 in property tax transfers from the City to the County have been deleted from the total non-departmental budget because they do not relate to ongoing City service costs.

(3) The personnel costs for administration and maintenance of the water system, sewer system, and Sierra Point Marina (\$259,450) have been subtracted from the total General Fund budget because they are billed separately to each enterprise fund.





\$0.6 million less than the total appropriations for FY 84/85.

STEP 2: DETERMINE THE SHARE OF ANNUAL EXPENDITURES PER RESIDENTIAL UNIT.

This step involved using the annual expenditures (appropriations) figure to determine the average annual cost per residential unit. There are 3 approaches that could have been used to determine the share of annual expenditures per residential unit. Each one is based on a different assumption about how much of the total City expenses are generated by services to residences.

The first approach assumes that all of the costs for City services are generated by residential units. Using this assumption, the annual expenditures of \$2,484,288 was divided by 1,459 which is the estimated number of residential units in the City. This yielded an annual cost of \$1,702 to service a single residential unit. This was the method used to determine the cost of \$2,000 per residential unit given in the March, 1985 draft of the proposed 1985 Housing Element. It yielded a lower cost per unit figure in this case because a higher number of residential units and a lower total expenditure amount were established upon more careful evaluation.

The second approach assumes that the total City costs are generated by both residential and commercial units, and that residential and commercial units are roughly equal in the costs they generate per unit. (School costs were not figured into this analysis because they are born by a separate District. Their inclusion would make this assumption invalid.) This judgement was based on interviews with City officials from various departments. Under this approach, the cost for either a residential or commercial unit can be determined by dividing the total expenditures by the total number of residential and commercial units in the City. Based on an analysis of business license records, the Finance Department estimated that there are 296 commercial businesses operating within the City limits. Assuming that each business generates costs as a single unit, and combining this number with the total residential units, yielded a total of 1,755 units. When the total expenditures were divided by the sum of residential and commercial units, the resulting cost per residential or commercial unit in the City came to \$1,412.

The third approach recognizes that each departmental budget responds to a varying degree to either residential or commercial units, rather than assuming that both types of units are equal in the costs they generate for any given City department. For this approach, each department's costs were analyzed to determine whether they responded more to residential or commercial units, or whether the costs were equally shared by both types of units. After interviews with key City officials, only the recreation department was determined to be more sensitive to needs created by residential units, rather than to needs created both by residential and commercial units on a relatively equal per unit basis. Based on this analysis, all of the costs for recreation were assigned to residential units. The remaining costs were



equally shared among residential and commercial, as under the second approach. This approach yielded an average cost of \$1,413 per residential unit.

### STEP 3: PROJECT ANNUAL FUNDS AVAILABLE TO SUPPORT NEW HOUSING THRU 1995.

This step identified the funds that will be available to support new housing by subtracting the projected expenditures to support existing City programs from the projected City revenues available for both existing and new costs.

Beginning with the known General Fund Revenues and Expenditures for Fiscal Year 1983/1984, staff projected these figures on an annual basis through 1994/1995. This required the making of several assumptions. These assumptions were developed in consultation with the City Finance Department and can be characterized as fiscally conservative. The assumptions are as follows:

1. Annual revenues will grow at a rate of 2% per year. Although in recent years City revenues have been basically stable or slightly declining, the recent annexation of Crocker Industrial Park means that a moderate rate of growth can be assumed.
2. Annual expenditures will grow at a rate of 5% per year. This is based on the Consumer Price Index rate of inflation over the past few years which is expected to continue at about the same rate for the next 5 to 10 year period.
3. No specific capital expenditures were included in the projected expenditures. However, an assumption about future capital expenditures was built into this analysis under Step 4.
4. The proposed Northeast Ridge project was not included in the analysis because the proposal is currently undergoing reevaluation. Moreover, because the Northeast Ridge housing would generate more costs than revenues, its inclusion in these projections would only serve to reduce, probably to zero, the funds available for other housing developments.

In each fiscal year, under this approach, the Beginning Fund Balance (funds remaining from the previous fiscal year) were added to projected revenues. This represents the total resources available to the City in that year. Projected expenditures are then subtracted from this sum, and the remainder is called the Ending Fund Balance. The Ending Fund Balance is the amount available after all ongoing City costs have been covered. It is from this balance that new capital improvements and service expenditures for new residential, commercial or industrial development would be supported.

### STEP 4: COMPARE THE COST PER RESIDENTIAL UNIT WITH THE ENDING FUND BALANCE PROJECTIONS TO DETERMINE HOW MANY RESIDENTIAL UNITS CAN BE SUPPORTED ON AN AVERAGE ANNUAL BASIS.





The final step in the analysis involves comparing the average cost of serving a residential unit with the funds available for new residential service costs. The result is an average annual number of new housing units that the City can serve. By dividing this number by the existing number of housing units, an annual growth rate is determined.

Staff selected the \$1,412 cost per residential unit estimate from among the three possible numbers described under Step 2. This estimate was considered to be the most liberal of the three, that is, it would allow slightly more housing units to be served in the future than the other two numbers. Staff felt this was a reasonable assumption because new units may be less expensive to service than existing residential areas.

Before this cost per unit can be applied to the available funds, a basic assumption had to be made regarding the share of the available funds that would be used to cover new housing service costs. The Ending Fund Balance in every year of the projection was divided into 2 categories: capital expenditures and monies to be used as a contingency fund to cover new housing service costs. Based on the City's need and desire to undertake an aggressive capital improvement program, 80% of the Ending Fund Balance was held in reserve for capital expenditures, leaving 20% to cover the costs of new residential units. No funds were reserved for the costs of serving new commercial or industrial growth or the improvement in existing services. Reserving funds for these costs would reduce the total number of new residential units that can be served.

The sum of 20% of the Ending Fund Balance, divided by the average cost per residential unit gives the total number of units which can be service in a given year. However, instead of determining the number of units that could be supported in each year and then adding up the total for the 10 year period, an average number of units per year was identified. This is because currently, the City's budget surplus would support a large number of new residential units. In future years, however, this surplus will gradually decline because expenditures are projected to increase at a faster rate than revenues. In fact, projections show the City having very little revenue available to support new growth by the end of the projection period. This means that although the City could grow relatively quickly over the next few years and not hold funds in reserve for future years, rapid growth in the near term would prevent the City from having funds available to support development near the end of the planning period. Although this may be a growth strategy that makes sense from a policy perspective, this analysis sought to identify an average annual number of units that could be supported over the 10 year period. When the costs caused by an average annual growth rate that can be supported over 10 years are charged against the funds available in the first years, some revenues would be left over. For the purposes of this analysis, it was assumed that this remaining balance would be added to any remaining capital improvement funds and returned to the Beginning General Fund Balance for the next fiscal year.

Revenues would be generated by the new residential development. Such revenues come largely from property and sales



taxes and other fees and governmental transfers. An estimate of potential revenues was derived from the Northeast Ridge Fiscal Impact Study completed in 1982. Our review of the data presented in that report indicates that each new unit will generate approximately \$1,000 in new City revenues. The revenues from the annual growth were added into the Beginning Fund Balance for each of the following years.

An iterative search for an average annual number of units that could be supported over the 10 year planning period indicated that an average annual number of 32 new residential units could be served under this fiscal projection. This represents an average annual growth rate of 2.2%.

## CONCLUSION

The foregoing represents further analysis of the estimates prepared for the first draft of the proposed Housing Element. Many refinements were made in the methodology for estimating both the service costs per unit and the average number of residential units that can be served. Staff believes that these new estimates more accurately represent the amount of new residential development that the City can afford to serve. A higher rate of growth could be supported by allocating a smaller share of the City's budget to capital improvements, by increasing revenues at a faster pace, or by reducing the cost of servicing new residential development.

## NOTES

1. See for example, US Department of Housing and Urban Development, Office of Policy Development and Research, The Fiscal Impact Guidebook, 1979; California Governor's Office of Planning and Research, Economic Practices Manual, 1984; The Urban Institute, Fiscal Impacts of Land Developments: A Critique of Methods and Review of Issues, undated.





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